
Index

- “A Bust to the Markets”
(Archer), 361
- “A Conversation with the Gnomes”
(Archer and Treuren), 257
- Account types, 107, 109
- Advisory services, 143–144
- Agent computing, 361
- Algorithmic trading, 363
- American style option, 326
- AnalyzerXL, 141
- Anti-hedging, 40
- Anti-hedging regulations, 116.
See also National Futures
Association (NFA)
- Application program interface
(API), 358
- Application service providers
(ASPs), 359
- Archer, Michael Duane, 257,
361, 363
- Artificial intelligence (AI), 362
- Asian session, 8
- “A Simple Cellular Automata
Model for Predicting FX
Prices” (Archer), 363
- Ask price, 29, 52
- ATC brokers, 106
- AUDUSD example, 255
- Australian Dollar (AUD), 4
- Automated order entry, 130
- Automated trading method, 341
- Automated trading system, 339, 340
- Automatic trailing stops, 119
- Axis Financial Services (money
manager), 353
- Baby markets, 355
- Baby Pips, 133
- Back-testing, 345–346, 359
- Backup computers, 112
- Baht, 333, 334
- Balance of trade, 178–179
- Ballooning (pip) spreads, 84, 93,
111, 190, 334
- Bands, 11
- Bank lot size, 9
- Bank lots, 59
- Banking hours, 319
- Bar charts, 150–152
- Barron's*, 95
- Base currency, 48–49, 67
- Basic market paradigm (BMP),
234–236, 257, 320
- Bathtub analysis, 234, 273–274, 280
- Bear market, 11
- Bear swings, 316
- Beginning point (BP), 239, 266
- Belgian dentist, 256
- Bernanke, Ben, 19
- Best FX Trader (money manager), 353
- Beyond Candlesticks: More Japanese
Charting Techniques Revealed*
(Nison), 159
- Bickford, James L. “Jim,” 10, 83, 85,
88, 169, 183, 191, 225, 234,
314, 363

- Bid price, 29, 52
 Bid-ask spread, 13, 52, 117, 368
 Biofeedback, 211–213, 218, 293, 320
 Bland, John, 131, 188
 Bollinger, John, 167
 Bollinger Bands, 167–169
Bollinger on Bollinger Bands
 (Bollinger), 167
 Bounce 1 swing, 249
 Bounce 2 swing, 249, 250
 Bounce 3 swing, 250
 BoxOption, 329
 Box-top (order), 121
 British Pound Sterling (GBP), 4
 Broker-dealer checklist, 106
 Broker-dealer reviews, 132–133
 Brokers, 69
 Bull market, 11
 Bull swings, 316
 Butterfly option strategy, 328
 Buy (call), 28
 Buy signal, 153
 Buyer, 325
 Buying a call, 330
 Buying a put, 330

 Calls, 325, 327
 Camtasia (software), 213
 Canadian Dollar (CAD), 4
 Cancellation, 243, 244
 Candlestick bar, 158
 Candlestick charts, 157–159
 Capital requirements for retail
 FOREX broker-dealer, 41
 Capital Spreads, 102
 Carryover, 243, 244
 Cascino, Anthony, 143
 Cash market, 28
 Catastrophe theory, 363
 Cellular automata (CA), 343, 361,
 362, 363
 Central banks, 7, 11, 19, 177

 Central clearinghouse, 16
 Centralized exchange, 4
 CFTC. *See* Commodity Futures
 Trading Commission (CFTC)
 Chaos theory, 363
 Chart library, 274
 Chart pattern recognition, 154
 Chart patterns, 315
 Chart time frame, 198
 Charting warnings, 162–163
 Chicago Mercantile Exchange
 (CME), 22, 29
 Chinese Yuan, 4, 22–23
 Ching, Derek, 173
 CME Group, 33
 Combination orders, 121
 Commissions, 9
 Commitment of Traders (COT), 31
 Commodity Futures Modernization
 Act of 2000, 37–38
 Commodity Futures Trading
 Commission (CFTC)
 about, 36–37
 brokers, 92
 currency futures, 29
 daily limits set by, 15
 foreign equivalents, 43
 Reauthorization Act of 2005,
 38–39, 41
 regulations, 35, 41–42, 103, 108,
 190, 337
 in retail FOREX, 25
 role expansion, 12
 Commodity pool operator (CPO),
 108, 337
 Commodity trading advisers
 (CTAs), 41, 108, 337
 Compass FX (money manager), 353
 Compensation, 243, 244
 Computer trading
 about, 357
 agents, 359

- arbitrage, 365–370
- arbitrage pros and cons, 370–371
- automated trading system, 359
- bots, 359
- cloud computing, 359–360
- expert advisor (EA), 358–359
- FOREX future, 362–363
- Grid programs, 364
- high and ultra high-frequency trading, 360–362
- Pac Man programs, 364
- technical analysis, 357–358
- trend machine, 363
- summary, 371
- Computer-assisted traders, 339
- Computer-assisted trading
 - method, 341
- Condor option strategy, 328
- Consumer price index (CPI), 181, 189
- Continuation charts, 216
- Continuation patterns, 155–157
- Contract, 28
- Contract specifications, 29–30
- Contraction, 314
- Contrary opinion reports, 355
- Correlation, 54–55, 512
- Costs and fees. *See also* Transaction costs
 - FOREX broker selection, 87–89
 - FOREX manager fees, 351–353
 - lot fees, 13
 - trading costs, 13–14
 - weekend transaction costs, 318
- Counter order, 86
- Counterparties to trades, 86
- Counterparty FCM, 41
- Covered writer, 327
- Cross rate, 369
- Crosses, 5
- Crossing the bridge, 258–259
- Cross-platform hedge, 190
- Crowd psychology, 7
- Currency Bulletin* (Pecival), 144
- Currency College, 133
- Currency futures, 29
- Currency options, 28, 33
- Currency pairs, 3, 11, 292
- Currency prices, 6
- Currency Trader*, 144
- Currency trading history
 - ancient times, 17–18
 - Bretton Woods Agreement of 1944, 21
 - Commodity Futures Trading Commission (CFTC), 25
 - Euro arrival, 23, 25
 - Federal Reserve System (the Fed), 18–20
 - floating exchange rate, 21–22
 - foreign exchange timeline, 24
 - future of, 22–23
 - gold standard, 18
 - international money market, 22
 - National Futures Association (NFA), 25
 - Securities and Exchange Commission (SEC), 20–21
- Currency trading volume, 30
- Currency transactions, 16
- Currenex (trading platform), 80
- Current Bulletin* (Pecival), 188
- Curve-fit data, 169–170
- Curve-fitting, 229
- Cycle analysis, 172
- Dagger entry
 - principle, 258
 - technique, 256–258
- Data services, 142
- Day traders, 14, 202, 248, 286
- Dealer intervention, 15, 87
- Declining memory effect, 354
- Deficit, 178

- Delta (option term), 328
- Demo account
 opening, 124
 trading functions, 107
- Denver* (magazine), 257
- Depth of markets (DOM), 87
- Diagnostics process, 284, 290–293
- Digital reading, 363
- DiNapoli, Joe, 173
- DiNapoli Levels, 173
- Dines Letter*, 143
- Directional movement (DM), 347
- Discretionary traders, 339
- Discretionary trading method, 341
- Disk Trading, 142
- Divergence, 314
- Divine Ratio, 172
- Dobson, Ed, 145, 146
- Dodd-Frank Wall Street Reform
 and Consumer Protection Act,
 25, 33
- Dorsey, Thomas J., 162
- Dow, Charles, 159
- Downtrend market, 234
- Drummond, Charles, 173
- Due Diligence Form, 339
- Due diligence process, 338
 account access, 349
 contract, 349
 money path, 349–350
 red flags, 350–351
 references, 348
 registration and regulation, 348
 transparency, 349
 website, 348–349
 summary, 356
- Dukascopy, 101
- Durable goods, 182
- ECNs. *See* Electronic
 communications networks
 (ECNs)
- Economic indicators, 176, 184–186
- Edge Capital markets, 143
- Educational resources, 133–135
- Electronic communications
 networks (ECNs), 9, 13, 53,
 84, 334
- Elliot Wave Theory (EWT), 172,
 173, 236
- Elliott, Ralph N., 172
- Elliott, T. S., 147
- Emerging markets or currencies, 355
- Emerging pairs, 332
- Emotions, 211
- Employment index, 182
- Ending point (EP), 239, 241, 266
- Entry library, 292
- eSignal, 106, 140, 142
- Euro Dollar (EUR), 4, 22, 25
- Euro Money, 145
- European Monetary Union
 (EMU), 22
- European session, 8
- European style option, 326
- Eurozone countries, 23
- EURUSD Trader, 143
- Everything (software), 274
- Evolutionary changes, 290
- Execution of trading plan
 entering the trade, 215
 exiting the trade, 216
 monitoring the trade, 216
 reality check, 215
- Exotic option, 326
- Exotics
 described, 4–5, 324
 pairs, 332–333
 trading, 333–334
 summary, 334–335
- Expansion, 314
- Expert advisor (EA), 221
- Expert advisor (EA) vs. expert
 system, 359

- Fear and greed, 320–321
- Feder, Jens, 354
- Federal Open Market Committee (FOMC), 19
- Federal Reserve Board (FRB), 19–20, 180
- Federal Reserve System (Fed), 18–20
- Fee calculation, 349
- Fibonacci number series, 172
- 50 percent rule, 237
- Filters, 226
- Financial information, 109
- Financial Markets Association (FMA), 38–39
- Financial Services Authority (FSA), 43
- FinSpreads, 102
- First in first out (FIFO), 39, 40, 124
- “Five Digit Pricing,” 52
- Flash crash, 362
- Flash executions, 360
- Floating, 250
- Ford, Henry, 20
- Forecasting models, 184
- Foreign economic indicators, 187
- Foreign exchange market (FOREX, FX). *See also* Trading platforms
 - about, 3–4
 - base currency, 48–49
 - cross currency, 48
 - currency pairs, 47
 - described, 3
 - vs. equities, 14
 - exotic currency, 48
 - vs. futures, 14–15
 - major currency, 48
 - minor currency, 48
 - pips, 56–57
 - terms used in, 47–55
- Foreign regulation, 43
- Foreign regulatory agencies, 39
- FOREX (FX) basics
 - about, 57–58
 - base currency, 67
 - bid-ask spread, 62–63
 - calculations, 67
 - leverage, 62
 - lot sizes, 59
 - margin, 80–81
 - profit and loss, 59–60
 - profit threshold, 63–66
 - quote currency, 67
 - summary, 66–67
- FOREX (FX) markets
 - FOREX futures, 27
 - forwards FOREX, 27
 - options trading, 27
 - spot (cash) market, 27
 - summary, 15–16
- FOREX (FX) money managers
 - registration, 41
- FOREX accounts
 - about, 105–106
 - demo account, 106–107
 - live account, 107–111
 - live account steps, 109–111
 - redundancy, 111–112
 - summary, 113
- FOREX broker selection
 - account options, 92–93
 - ATC brokers, 94
 - Big Four broker dealers, 100–101
 - broker-dealer checklist, 103
 - broker-dealer due diligence, 84–85
 - broker-dealers, 93–98
 - complaints and resolution, 92
 - costs, 87–89
 - customer service, 90–91
 - demo accounts, 85–86
 - electronic communications networks (ECNs), 86–87
 - financial stability, 91–92

- FOREX broker selection (*continued*)
- FOREX.com, 97–98
 - frauds and scams, 102–103
 - games played by brokers, 93
 - Interactive Brokers, 96
 - issues, 83–84
 - liquidity provider, 89
 - market-maker brokers, 86–87
 - MB trading, 94–96
 - off exchange, 102–103
 - PFG Best, 98
 - popular choices, 98–100
 - for professional and non-U.S. traders, 101–102
 - spread betting, 102
 - trading pair palette, 91
 - summary, 103
- FOREX calendar, 135
- FOREX currency symbols, 5
- Forex Factory, 188
- Forex Journal*, 144
- FOREX Magazine*, 144
- FOREX marketplace
- about, 129–130
 - advisory services, 143–144
 - broker-dealer reviews, 132–133
 - data services, 142
 - educational resources, 133–135
 - fun stuff, 146
 - management tools, 136–138
 - news and calendars, 135–136
 - portals and forums, 130–132
 - programming services, 142–143
 - references, periodicals and books, 144–146
 - system development tools, 138–142
 - summary, 147
- FOREX News Calendar Indicator*, 193
- Forex Online Learning, 133
- FOREX options, 324
- Forex Patterns and Probabilities (Ponsi), 169
- Forex Peace Army, 84, 93, 132, 356
- FOREX Shockwave Analysis* (Bickford), 191
- FOREX spot account, 108
- Forex Trading Education, 134
- FOREX trading funds, 108
- FOREX trading plan, 207–218
- FOREX TSD (forum), 106
- ForexTester, 140
- Forwards FOREX, 4
- Forwards trading, 33
- “Four Digit Pricing,” 52
- Fractals (Feder), 354
- Fraud, 12, 44, 341, 356
- Fundamental analysis, 175, 193–194, 340
- Fundamental factors
- balance of trade, 178–179
 - consumer price index (CPI), 181
 - durable goods, 182
 - employment index, 182
 - gross domestic product (GDP), 180
 - housing starts, 182–183
 - industrial production (IP), 181
 - interest rates, 177
 - intervention, 180
 - parity and purchasing power (PPP), 179–180
 - producer price index (PPI), 181
 - purchasing managers index, 181
 - retail sales, 182
- Futures Commission Merchants (FCMs), 36, 38, 43, 84, 341, 348, 350, 351
- Futures contract, 28
- Futures FOREX, 4
- Futures Magazine*, 145
- Futures traders, 66
- FX AlgoTrader, 146

- FX All (trading platform), 80
FX Options Trade Board, 329
FX Week, 145
FXPro, 101, 334
- Gain Capital, 97, 334
Game theory, 361
Gamma (option term), 328
Gann, William D., 172
Getting Started in Currency Trading,
90, 293
Getting Started in Currency Trading,
1st ed. (Archer and Bickford),
10, 83, 85, 88, 169, 183,
191, 314
Getting Started in Currency Trading,
2nd ed. (Archer), 35
Getting Started in Currency Trading,
3rd ed. (Archer), 33, 35, 102,
357, 360
Getting Started in Currency Trading,
4th ed. (Archer), 70, 98
Getting Started in Futures
(Lofton), 31
GFT FOREX, 334
Ghost trading, 279–280
Global View (Bland forum), 131,
188, 194
Global Viewpoint Inc. (GVI)
forums, 131
Go Forex, 133
Going against the crowd, 315
Gold standard, 22
Goodman, Charles B., 147, 162,
204, 216, 221, 226, 233–234,
256, 297, 304, 371
Goodman Method, 214, 217
Goodman setups, 253
Goodman swing count system
(GSCS), 241, 316
Goodman vs. Elliott,
240–241
- Goodman Waltz
breaking even, 264
fire starter, 265–266
PTS template, 261–262
Samba, 265
steps, 259–260
stop-loss order, 263
taking profits, 264–265
trading the line, 266–269
- Goodman wave, 240
Goodman Wave Theory (GWT)
1-2-3 axiom, 236–237
3C principle, 243–244
about, 233–234
Basic Market Paradigm, 234–236
basic setup, 245
vs. Elliott Wave Theory, 172
Goodman vs. Elliott, 240–241
ideal matrix, 237–239
intersection principle, 241–243
matrix in, 239
under and over counts, 244
propagation principle, 239–240
summary, 246
- Goodman Works, 134
Goodman Works FX Bullish
Consensus, 314
Goodmanisms, 297–301
Goodman's law of trading systems,
229–230
- Gordago, 140
Gould, Bruce, 283
Governmental regulation, 12.
See also National Futures
Association (NFA)
- Great Depression, 20
Grid systems, 116
Gronfelt, Arne, 310
Gross domestic product (GDP), 180
Gross price movement, 304
Grubstake, 284, 285
Guerilla trader, 64, 201, 248

- Harmonization issue, 42
Harry Schultz Letter, 143
 Harvesting stops, 119
 Hawaii Forex (Ching), 134, 173
 Hedges, 6
 Hedging activity, 5, 39, 190
 Hicks, Abraham, 213
 High leverage, 10
 High-frequency trading (HFT), 6, 360, 361
 Hill, Napoleon, 213
Holt Advisory, 143
 Homma, Munehisa, 157
 Homogratus, Felix, 135
 HotSpotFX (trading platform), 80, 101
 Housing starts, 182–183
 Hunter, Lew, 303
 Hypothesis testing, 273–274

IB Times, 95
 ICE FX, 33
 Ideal matrix, 237–239
 IFTI (money manager), 353
 IG Index, 102
 In the money, 325
 Indicator battery, 221
 Indicator warnings, 169–170
 Indicators
 comparison of, 173–174
 and oscillators, 163
 Individual account, 341
 Industrial production (IP), 181
 Inside swings, 316
 Insider trading, 12
 Institutional trading, 6
 Intel4x (money manager), 354
 Interbank market, 11
 Interbank system, 35
 Interest rates, 177
 International Money Market (IMM), 22, 29, 33

 Internet connections, 111
 Intersection principle, 241–243
 Intersections, 242
 Intervention, 180
 Intrinsic value, 325
 Introducing Broker (IB), 41, 84
 Invest2 Forex (money manager), 354
Investopedia, 144
 Inward look, 245

Japanese Candlestick Charting Techniques (Nison), 159
 Japanese Yen (JPY), 4
 Jonathan's Wave, 362
 Jumbo swing, 249

 Keene, James R., 159
 Keynes, John Maynard, 175
 King Kong syndrome, 320

 Lagging indicators, 188
 Latency, 371
 Laydowns, 272
 Leading indicators, 187–188
 Level of interdeterminacy, 243
 Leverage, 9, 25, 33, 44, 51
 Leverage regulations, 324, 333
 Limit on close (LOC) order, 121
 Limit on open (LOO) order, 121
 Limit orders, 116, 117
 Lindsay, Charles, 237
 Line (profit maximization technique), 256
 Liquidity, 6, 10, 12, 15, 48, 333, 334
 Liquidity provider, 87
 Live accounts, 106
 Lofton, Todd, 31
 Long position, 6, 28, 48, 49
 Long vs. short, 292
 Looking inward, 275–276
 Looking outward, 275–276
 Lot fees, 88

- Lot sizes, 9, 59, 104
Low margin, 10
- Magnum Program, 354
Major currency, 4
Major pairs, 5, 42–43, 48, 332
Managed FOREX, 337–356
 about, 337–338
 costs and fees, 351–353
 managed account types, 341
 manager spotlights, 353–355
 manager types, 339–340
 Panzolzer, Peter, 354–355
 performance analysis, 344–346
 pros and cons, 338–339
 reasons for, 338
 research and resources, 356
 trading methods, 341–344
 summary, 356
Managed Forex (money manager), 354
Management fees, 352–353
Management pools, 350
Management tools, 136–138
Manager checklist, 340
Margin account, 50–51
Margin requirements, 20, 42–43, 335, 370
Marginal products, 176
Margins, 6, 44
Market environments (ME), 221, 291–292
Market flows, 355
Market hours, 10
Market makers, 9
Market orders, 115, 116, 117, 334
Market price cornering, 11
Market Traders, 133
Market-maker brokers (dealers), 13, 53, 84
Matrix, 237, 239
Maximum leverage, 36, 40
Meditation, 320
Meisler, Jay, 131
Mercury charts, 31–32
MetaTrader, 106, 111, 123, 124, 146, 163, 188, 193, 208, 209, 210, 213, 217, 224, 264, 314, 358, 360
Method stop-loss, 226
Mexican Peso, 333
Micro lot size, 9
Micro-accounts, 13, 93, 124
Micro-lots, 59
Middlemen, 9
Mini-accounts, 93
Mini-lots, 9, 59
Minor currency, 4
Minors, 5
Mixed fees, 353
Molanis Strategy Builder, 146
Momentum analysis, 165–166
Money management, 174, 255–269, 358
Money managers, 108
Money supply, 20
Months, 30
Moore's Law, 358
Moving average, 225
Moving average convergence divergence (MACD), 166
Moving averages, 166–167
Moxham, Steve, 131, 133
MQL4 Code Base, 146, 358
MQL5, 358
Multiple 3-C counts, 278
Myer's Energy and Finance, 143
- Naked writer, 327
National bankruptcy, 23
National Futures Association (NFA)
 about, 37
 broker registration, 36, 92, 102
 currency futures, 29

- National Futures Association (NFA) *(continued)*
- currency manager, 337
 - foreign equivalents, 35
 - “Know-Thy-Customer” Rules, 38, 42, 110
 - leverage regulated, 24
 - margins, 51
 - in retail FOREX, 25
 - role expansion, 12
 - Rule 2–43, 25, 39, 40–43, 86, 93, 116, 190, 333, 342
 - summary, 44
- Navigation, 113
- NeoTicker, 80
- Nest, 276
- Net price change, 304
- Neural networks, 343
- NEVER rules, 120
- New Concepts in Technical Trading Systems (Wilder), 343
- New Impact*, 191
- New York Board of Trade, 30, 33
- New Zealand Dollar (NZD), 4
- News and calendars, 135–136
- News Squawk, 136
- News traders, 7, 98
- News trading, 175–195
 - about, 175–176
 - FOREX news, 188
 - fundamental analysis, 176
 - fundamental discussion, 183–188
 - fundamental factors, 177–183
 - fundamental problems, 176–177
 - key news releases, 188
 - reality vs. expectations, 189
 - shockwave analysis, 191
 - strategy, 191, 193
 - tactics, 191, 192–193
 - traders response to, 189–190
 - summary, 193–194
- NextChart, 146
- NFA (National Futures Association). *See* National Futures Association (NFA)
- Nibbling, 260
- Ninja Trader, 106, 138, 139–140, 163, 209, 358
- Nison, Steven, 157, 159
- Nixon, Richard M., 22
- No dealing desk (NDD), 53, 86
- Nofri, Eugene, 311
- Nonfarm payroll report (NFP), 182, 186, 188, 189
- Nonlinear methods, 363, 371
- Norlin, George, 17
- North American Session, 8
- Oanda (web site), 313
- One cancels the other order (OCO), 121
- 1-2-3 axiom, 236–237
- Online trading, 12
- Open orders, 123–124
- OpenQuant, 80
- Options, 28
 - about, 323–324
 - advanced option strategies, 328
 - basic options strategies, 327
 - described, 324
 - Greeks, 328
 - hedging with, 323
 - options primer, 324–325
 - options pros and cons, 326
 - options terms, 325–326
 - options vs. spot FOREX, 330
 - purchase vs. writing, 327–328
 - retail FOREX options, 329
 - risk management with, 330–331
 - summary, 334–335
- Options pricing, 325, 326
- Options trading, 4
- Order confirmation, 123
- Order execution, 122

- Order placement, 39, 121–122
- Orders, 115–117. *See also* Trading
- Out of the money, 325
- Outside swings, 316
- Outward look, 245
- Overlap, 55
- Overlays, 245, 275
- Overnight charges, 89
- Over-the-counter (OTC) FOREX options, 329
- Over-the-counter (OTC) market, 11

- Pac Man programs, 342, 344, 347–348
- Pain thresholds, 203–204
- Pairs, 5
- PAMM account, 341
- Paragon FX, 101
- Parity and purchasing power (PPP), 179–180
- Parlane, Graham, 143
- Patriot Act, 38
- Pending execution, 115
- Percentage of retracement, 172
- Percival, John, 144, 188
- Performance analysis
 - assets under management (AUM), 345
 - equity cycle and drawdowns, 344–345
 - equity exposure, 345
 - reward and risk, 344
 - track record, 345–346
 - weaknesses, 346
- Performance analysis methods
 - market environments (ME), 347–348
 - Sharpe ratio, 346
- Performance fees, 352
- Performance-only fees, 353
- Perry Wysong's Insider*, 143

- Personal information, 109
- Pip currency, 49
- Pip spreads, 10, 48, 87
- Pips, 10, 49, 352
- Pips values, 13–14
- Platform checklists, 106
- Point & Line Method*
 - (Drummond), 173
- Point and Figure Charting*
 - (Dorsey), 162
- Point and figure charts, 159–162, 316
- Points, 49
- Ponsi, Ed, 169
- Pooled accounts, 341
- Portability, 360
- Portals and forums, 130–132
- Position sizing, 13
- Position traders, 202, 248
- Positioning changes, 355
- Premium, 325
- Price adjustments, 40–41
- Price fields, 150
- Price memory, 149, 173, 354
- Primary brokers, 111
- Pro Trader Plus (trading platform), 80
- Proactive trading
 - about, 271
 - bathtub analysis, 273–274
 - chart library, 274
 - ghost trading, 279–280
 - laydowns, 272
 - looking inward, 275–276
 - looking outward, 275–276
 - multiple 3-C counts, 278
 - propagation, 274–275
 - sitting on your hands (SOYH), 280
 - stations, 278
 - summary, 281
- Producer price index (PPI), 181, 186

- Profiles, 209
 Profit-loss ratio, 64, 287–288, 291
 Programming services, 142–143
 Prolific Investments (money manager), 354
 Propagation, 274–275
 Propagation 2 Swing, 250
 Propagation 3 swing, 253
 Propagation principle, 239–240
 Propagation trade setup (PTS), 245
 about, 247
 AUDUSD example, 249–253
 time frames, 248–249
 summary, 253
 Psychology of traders, 174
 Pugh, Burton, 151–152, 234
 Purchasing managers index, 181
 Purchasing power parity (PPP), 180
 Pure Logik Trading, 143
 Puts, 325, 327

 Quote conversion, 52
 Quote currency, 49, 67

 Range, 364
 Recordkeeping, 84, 109, 111
 Red Paladin, 360
 Rednor, Peter, 320
 References, periodicals and books, 144–146
 Registration of FOREX manager, 348
 Regulation. *See also* National Futures Association (NFA)
 in FOREX market, 35–45
 future of, 43–44
 history of, 36–39
 present, 39–43
 Relative strength indicators (RSI), 163–164, 169, 220, 343
 Repropagation, 251
 Requoting, 15, 84, 87, 93, 111, 334

 Reserve currency, 21
 Retail FOREX, 5, 6
 Retail FOREX brokers, 323
 Retail FOREX options
 Oanda, 329
 PFG Best, 329
 SaxoBank, 329
 Retail sales, 182
 Return point, 241
 Return setups, 245, 247, 253
 Return zone, 241, 251
 Reversal patterns, 154
 Review Pips, 133
 Rho (option term), 322
 Risk-avoidance, 256
 Risk-avoidance approach, 286
 Rockefeller, John D., 256
 Rollover charges, 89
 Rollovers, 14, 54
 Round-turn, 53

 SaxoBank, 334
 Scalpers, 64, 201–202, 286
 The Science and Secrets of Wheat Trading (Pugh), 234, 237
 Scripting languages, 358
 Secondary brokers, 111
 Securities Act of 1933, 20
 Securities and Exchange Commission (SEC), 29, 360
 Securities Exchange Act of 1934, 20
 Sell (put), 28
 Sell signal, 153
 Sell the bid and buy the ask, 52
 Sentiment analysis, 355
 Session carryover charges, 89
 Session Lines, 213
 Sessions, 292
 Sharpe, William F., 346
 Sharpe ratio, 345, 346
 Short position, 49
 Sideways market, 234

- Signal services, 130, 314
- Simple system
 - about, 219–220
 - general principles, 220–221
 - KIS toolbox, 221–222
 - momentum index, 226–227
 - moving average crossover, 223–226
 - not so simple, 229–230
 - pairs to trade, 229–230
 - stop-loss and take-profit rules, 228
 - trading rules, 227–228
 - summary, 230
- Sitting on your hands (SOYH), 211, 216, 280
- Smithsonian Agreement, 22
- SMW principle, 272
- Snagit (software), 84, 217
- SnapDragon, 142
- Sortino Ratio, 346
- Specialty orders, 121
- Speculative hedges, 324
- Speculators, 5, 6
- Speed, 364
- Spice Cap (money manager), 354
- Spike Charts, 146
- Spot (cash) markets, 4, 14
- Spot currency trading, 14
- Spot FOREX, 28
- Spot FOREX futures, 33
- Spot FOREX open interest, 32
- Spot gold trading, 33, 36
- Spot silver trading, 33, 36
- Spot trading in gold and silver, 25, 40
- Spread betting, 4, 28, 33
- Spreads, 88
- Standard accounts, 93
- Standard lot size, 9
- Standard lots, 59
- Standard setups, 245
- Stations, 278
- Stock markets, 10–11
- Stop harvesting, 84, 93, 111
- Stop orders, 116, 118–121
- Stop-loss orders, 63, 119, 120, 122, 153, 215, 216, 293
- Strike price, 325
- Success to Commodities: The Congestion Phase System* (Nofri), 311
- Suitability/know-your-customer requirement, 42
- Support and resistance levels, 153
- Swing, 238
- Swing analysis, 171
- Swing charts, 152, 316
- Swing traders, 171
- Swiss Franc (CHF), 4
- System development tools, 138–142
- Take-point order, 63
- Take-profit order, 122, 153, 215, 216, 244, 293
- Technical analysis
 - about, 149
 - bar charts, 150–152
 - Bollinger Bands, 167–169
 - candlestick charts, 157–159
 - chart pattern recognition, 154
 - charting warnings, 162–163
 - continuation patterns, 155–157
 - curve-fit data, 169–170
 - cycle analysis, 172
 - indicator warnings, 169–170
 - indicators and oscillators, 163
 - momentum analysis, 165–166
 - moving averages, 166–167
 - point and figure charts, 159–162
 - references on, 230
 - relative strength indicators (RSI), 163–164
 - reversal patterns, 154
 - support and resistance levels, 153

- Technical analysis (*continued*)
- technician's beliefs, 173
 - technician's warning, 173–174
 - trading strategy, 175, 194, 340
 - trading systems, 173
 - trendlines, 153
 - wave and swing analysis, 171–172
 - summary, 174
- Technical factors, 7
- Technician's beliefs, 173
- Technician's warning, 173–174
- Techniques tools for trading
- bullish consensus, 314–315
 - contrary opinions, 314–315
 - correlation and transitivity, 312–314
 - directional movement (DM), 304–305
 - market environments (ME), 304
 - market environments (ME) applications, 308–309
 - market environments (ME) temperatures, 308
 - Nofri congestion phases, 311–312
 - price rhythm, 305–308
 - Pugh charts, 315–316
 - range finder, 310–311
 - three chart system, 309–310
 - time rhythm, 305–308
 - volatility (V), 304–305
- TechSmith, 217
- Templates, 209, 242
- Theta (option term), 328
- Think and Grow Rich* (Hill), 213
- Third party products and services, 13
- 30-trade campaign program
- about, 283
 - capital allocation, 284–288
 - characteristics of successful traders, 293–294
 - diagnostics process, 290–293
 - formula, 287
 - golden FOREX ratios, 287–288
 - pre-trade checklist, 288
 - tracking trades, 288
 - trade lot sizing, 286
 - two-day trader worksheet, 285–286
 - worksheet, 284
 - summary, 295
- 3-C principle, 243–244, 264
- 3-D setup, 247, 253
- Tick symbols, 30
- Ticks, 49–50
- Time frames, 12
- Time hash, 266
- Time series analysis, 173
- Time studies
- day of week, 319
 - flyers, 319–320
 - Goodman price-time swing chart, 317
 - market closing, 319
 - market opening, 318–319
 - time filters, 316, 318
 - time of day, 319
- Time zones, 319
- Tipping point (TP), 239
- Tools for trading, 13
- about, 303–304
 - fear and greed, 320–321
 - techniques, 304–316
 - time studies, 316–320
 - summary, 321
- Traders, characteristics of successful, 293–294
- Traders Press, 145
- Trading, 115–124
- combination orders, 121
 - costs, 13–14
 - limit orders, 117
 - market orders, 117
 - open orders, 123–124
 - opening demo account, 124

- order confirmation, 123
- order execution, 122
- order placement, 121–122
- orders, 115–117
- specialty orders, 121
- stop orders, 118–121
- summary, 124
- Trading against the box, 342
- Trading against yourself, 55
- Trading day, 8
- Trading indicators, 169
- Trading market hours, 8
- Trading markets, 225
- Trading methods for managed
 - FOREX
 - artificial intelligence (AI), 343
 - breakout, 343
 - divergence, 343
 - due diligence process, 348–351
 - grids and Pac Man systems, 342
 - hedges, 342
 - nonlinear algorithms, 343–344
 - quality of market, 342
 - trend following, 342
- Trading plan, 207–218
 - about, 207–208
 - components of, 208–209
 - elements of, 209–211
 - execution of, 215–216
 - post-trade plan, 216–218
 - pre-trade plans, 211–214
 - summary, 218
- Trading platforms
 - about, 69–70
 - checklist for, 80–82
 - eSignal, 76–78
 - features of, 71–74
 - MetaTrader, 74–75
 - MultiCharts, 78–79
 - Ninja Trader, 75–76
 - other selections, 79–80
 - professional, 80
 - proprietary, 69
- Trading profiles, 205
 - day traders, 202
 - guerilla trader, 201
 - position traders, 202
 - scalpers, 201–202
 - selection of, 203–204
- Trading psychology, 174
- Trading questions, 289
- The Trading Rule That Can Make You Rich* (Dobson), 146, 237–238
- Trading space
 - about, 197
 - charts and bars, 198–200
 - market as a process, 204–205
 - trading profiles, 201–202
 - summary, 205
- Trading styles, 339
- Trading systems, 173, 354, 358
- Trading Tables, 56
- Trading transactions, 8–9
- Trading vs. trending markets, 220
- Trailing stops, 119
- Transaction costs, 10, 53–54, 318, 368, 370
- Transaction speed, 10
- Transitivity, 313, 314
- Transitivity arbitrage, 370
- Transitivity pair, 55
- “The trend is your friend” (axiom), 236
- Trend Machine, 362
- Trend reversal, 343
- Trending indicators, 169
- Trending markets, 225
- Trendlines, 153
- Treuren, R. David, 257
- Triangular arbitrage, 366, 370
- Trident* (Lindsay), 237
- 24 hour market, 10

- Ultra-high-frequency trading (UHFT), 6, 360, 361
- Under and over counts, 244
- Under-over propagation, 264
- Uptrend market, 234
- U.S. dollar index, 30–31
- U.S. dollar (USD), 4
- U.S. Treasury, 19

- Vanilla option, 326
- Vega (option term), 328
- Very short term trading, 340
- Virtual private server (VPS), 360
- Volatility (V), 347
 - described, 304
 - vs. liquidity, 12
- Volume and open interest, 31–32
- Volume of trading, 27

- Waltz (trade-in-progress technique), 256
- Watch list, 214
- Watch profile, 210
- Wave analysis, 171
- Wave and swing analysis, 171–172
- Wealth Lab, 141
- Weekend transaction costs, 318
- Whipsawing, 171, 342
- Wilder, Welles, 343
- Winners-to-losers ratio, 63–64, 65, 286, 287, 291
- Writer, 325
- Writing a call, 327
- Writing a put, 327

- Young, Joseph, 144
- YouTube, 306
- Yuan, 4, 22–23
- Zloty, 333