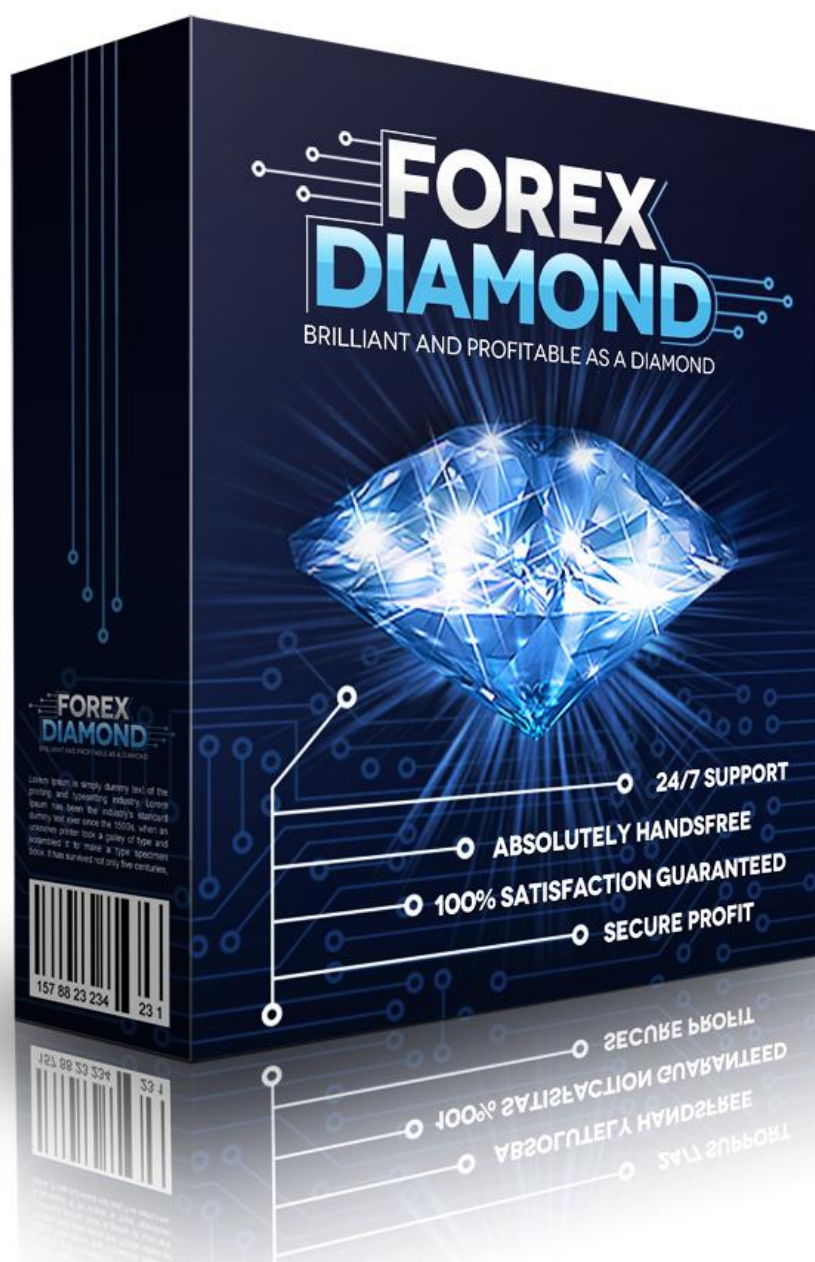


Forex Diamond EA

User Guide



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Getting Started

Before installing Forex Diamond on your computer and commencing trading on a real account, please read this carefully – your future profits could depend on it.

Trading FOREX entails risk and any instance of negligence or inattention can easily result in significant losses!

1. We strongly recommend that you operate a demo account before trading with real money. This will help you become familiar with the way Forex Diamond operates, before you commit genuine funds to a real money account.

2. Please be extremely careful when determining trading volumes and setting automatic risk management parameters!

3. If you suspect that Forex Diamond is operating incorrectly, please stop trading and contact us immediately!

WHAT YOU MUST KNOW BEFORE USING FOREX DIAMOND

- Forex Diamond supports GBPUSD, EURUSD, USDJPY and USDCHF currency pairs. All four currency pairs show very good backtest performance. However, for optimal performance, we recommend to trade on these 2 pairs: GBPUSD, EURUSD.
- Forex Diamond is compatible with all MetaTrader 4 brokers, as well as with brokers that use ECN-type order fulfilment. You do not need to change any settings.
- Forex Diamond automatically recognises whether your broker offers four- or five-digit quotes. You don't need to change any settings. If your broker offers five-digit quotes, you don't have to multiply TakeProfit and StopLoss values by 10.
- Avoid launching and closing your trading terminal too often. Ideally, it should work without interruption from market opening on Monday to closure on Friday.
- For problem-free operation, use a computer with a minimum configuration of: 1.5 GHz processor, 1 GB RAM, and Windows XP, Windows Vista, Windows 7 or Windows 8 operating system.

- A stable internet connection is essential to ensure that Forex Diamond operations reliably.
- The amount of profit you can make using Forex Diamond will largely depend on the spreads offered by your broker. The recommended spread for GBPUSD is under 2 pips, for EURUSD under 1.5 pips, for USDJPY under 1.5 pips and for USDCHF under 2 pips.
- Look out for brokers who steal pips and try to fulfil orders at prices that are 1 or 2 pips less favourable than they ought to be. If this happens, narrow spreads advertised as 1 pip can easily work out at 3 or 5 pips, thus reducing the profits that Forex Diamond can make. Be particularly cautious of new brokers who advertise aggressively on the internet. Choose only trusted brokers who are well established on the market and have good feedback from their customers. Click the link below to view the largest data base of brokers' reviews and ratings:

http://www.forexpeacearmy.com/public/forex_broker_reviews

The MetaTrader 4 Trading Platform

Forex Diamond operates on the MetaTrader 4 trading platform. MT4 is a free trading platform available through most FOREX brokers.

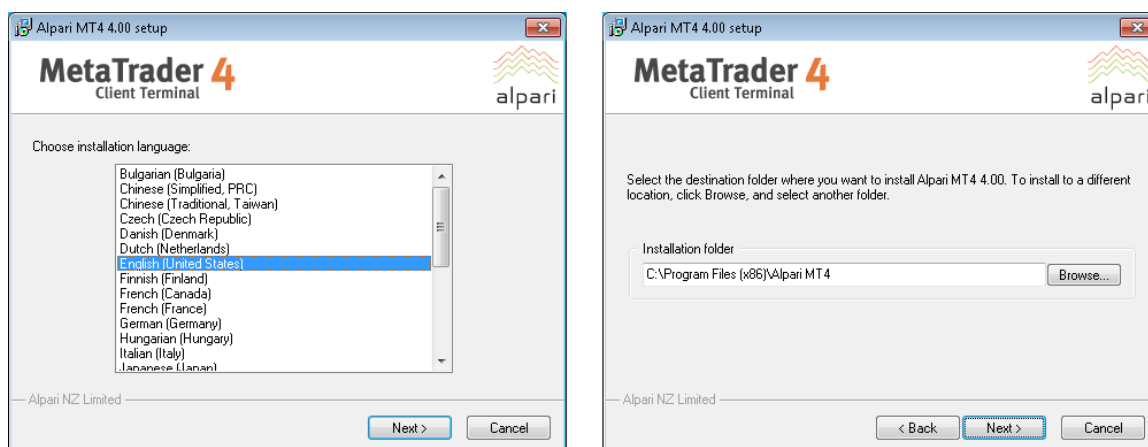
If you don't have MT4 installed on your computer, you can download a copy by going to one of the following brokers and requesting a demo account:

www.hotforex.com
 www.thinkforex.com
 www.fxopen.com
 www.alpari.ru
 www.alpari.co.uk

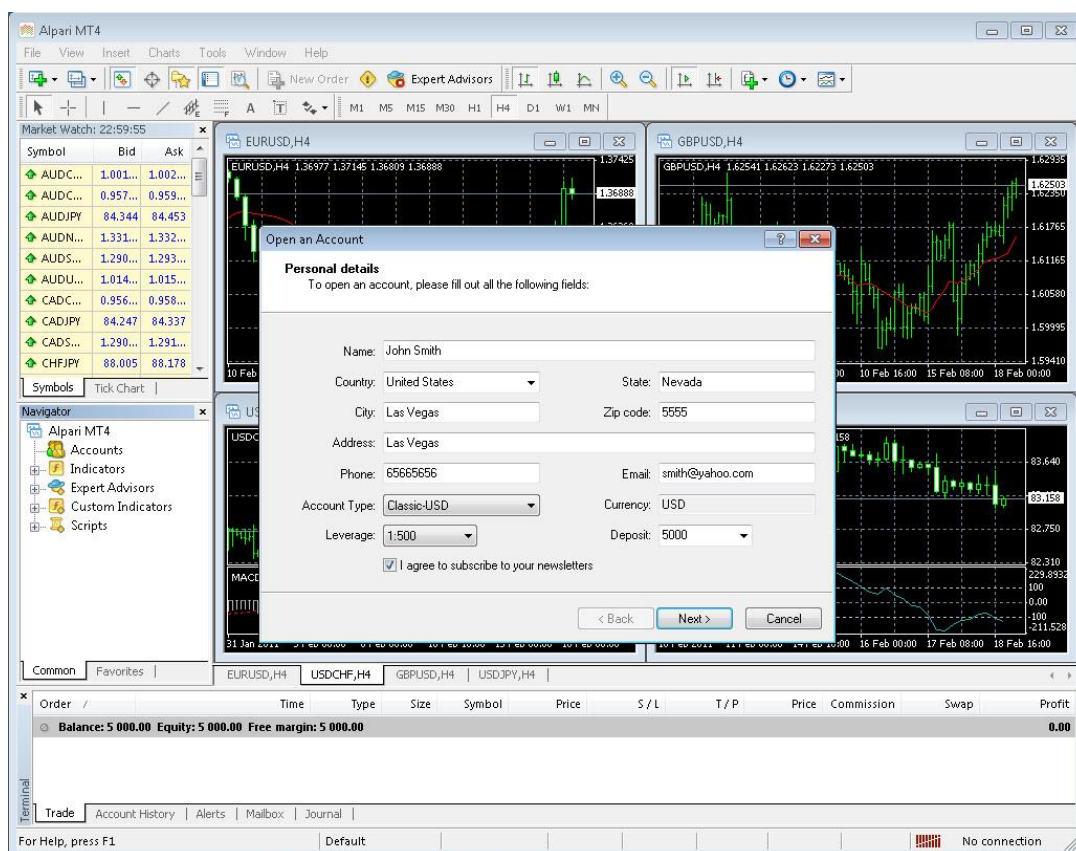
This list is for reference only. We are not affiliated with these any other brokers. Suffice to say, the brokers listed above have good reputations and reasonable spreads.

Installing MetaTrader 4

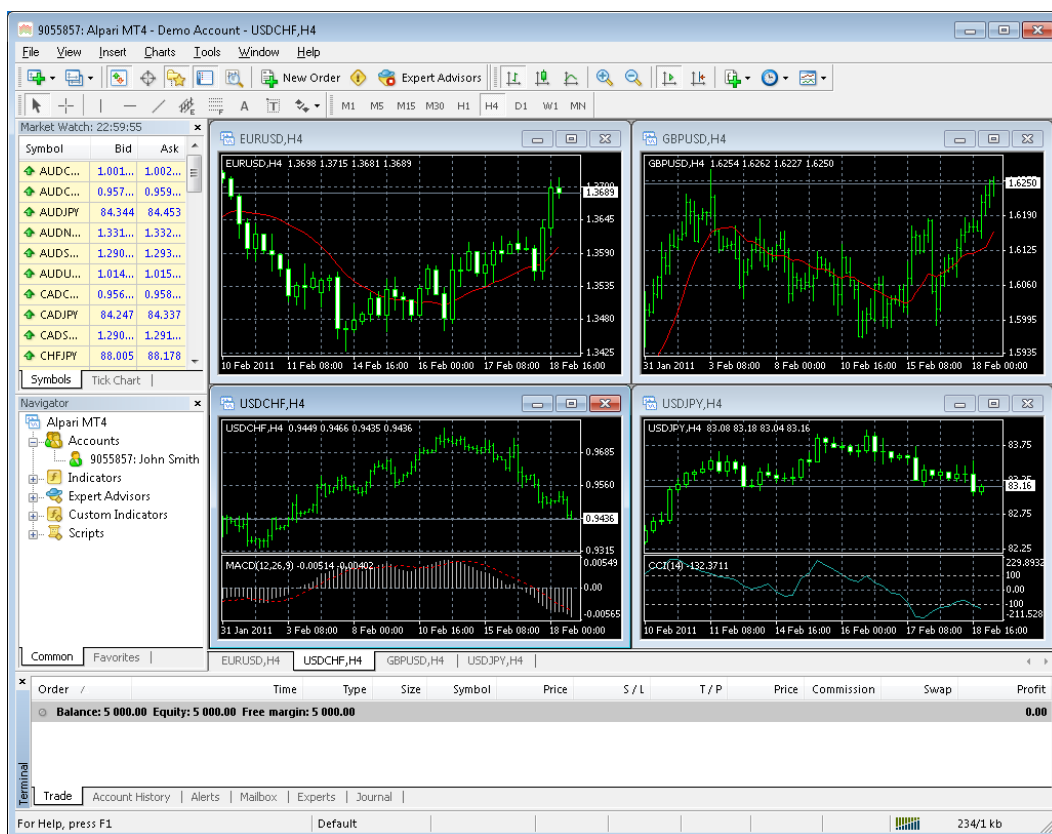
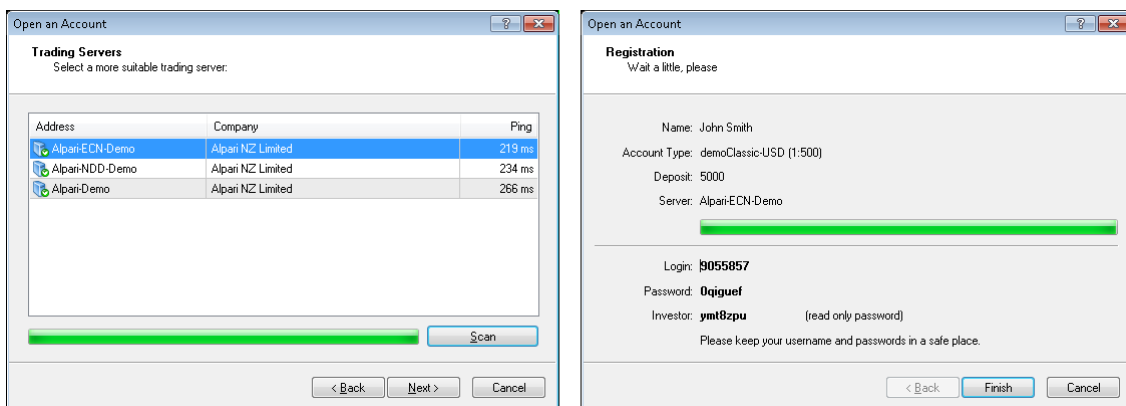
If you're familiar with MT4 and already have a broker account, just take a quick look through this section to refresh your memory.



After installation, you'll be asked to create a demo account. Fill in the details and select an amount to deposit. Enable "Agree to subscribe to your newsletters" and then click *Next*.



The program will ask you to select a trade server to connect to. Select the server and click *Next*. In the next window, click *Finish*.



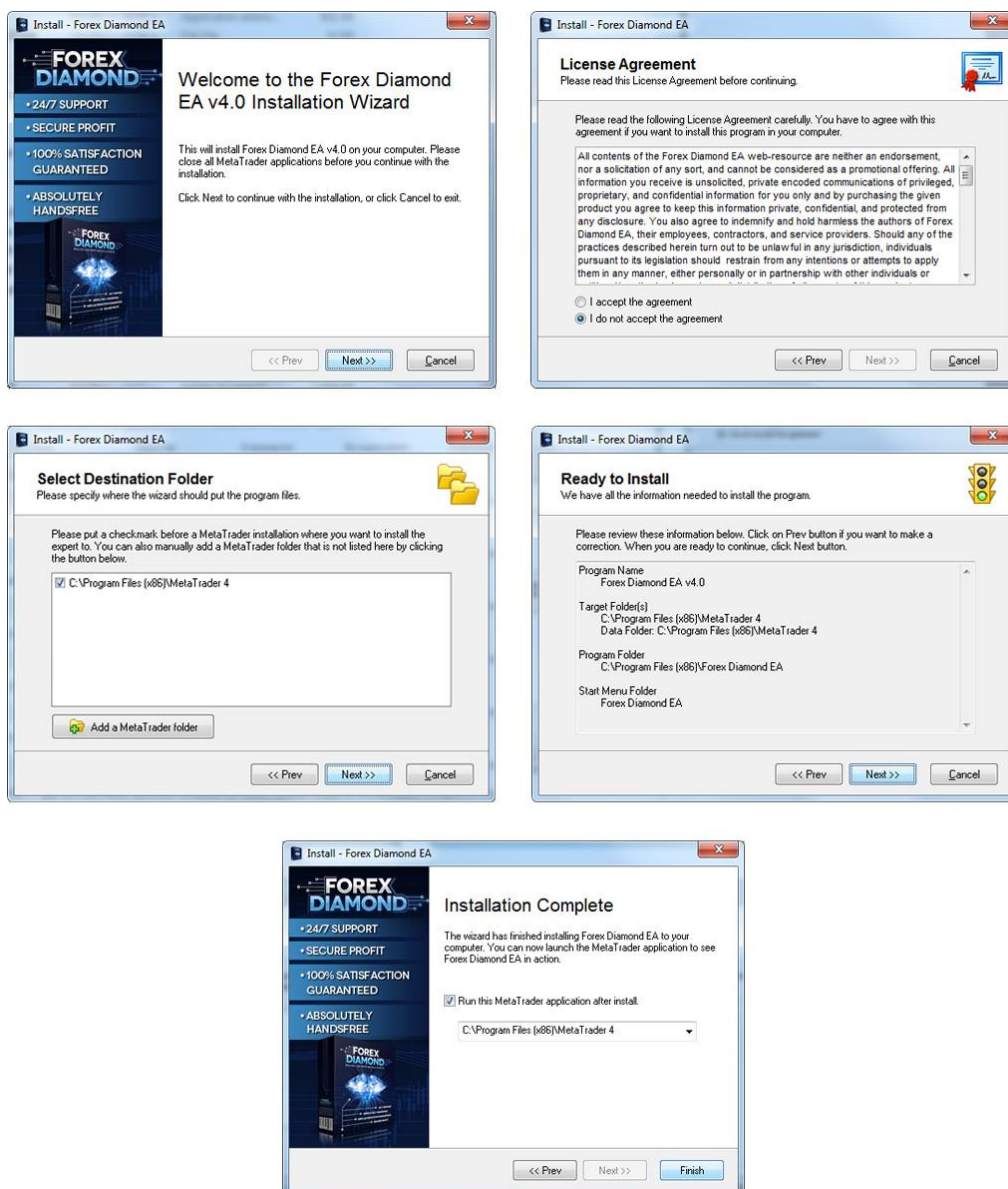
Your demo account is now open. Close MT4 so that you can install Forex Diamond.

Installing Forex Diamond

There are two ways to install our software:

Automatic Installation Using ForexDiamond Installer v4.0.exe

- ❖ After logging in to the member zone with the username and password provided, download "ForexDiamond_Installer_v4.0.exe" from your personal download page to a convenient location on your computer.
- ❖ Install Forex Diamond. During installation, select the installation folder of your MetaTrader4 terminal. This folder usually has the name of your broker and is located in C:\Program Files (x86)



- ❖ If you did not close your MetaTrader4 terminal before installing Forex Diamond, you will need to restart it now.

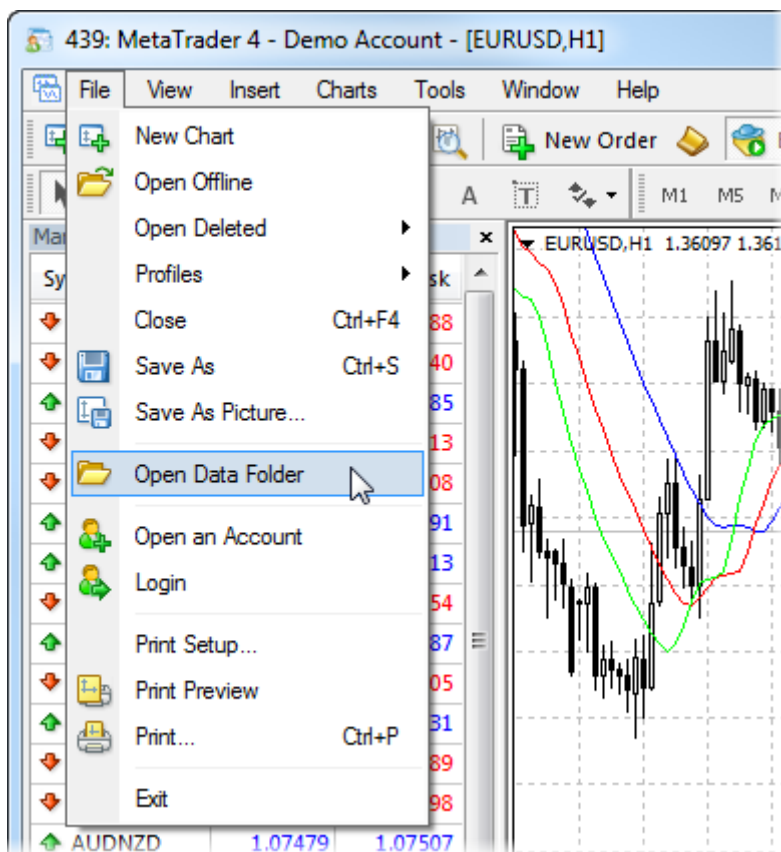
Installation By Copying

- ❖ After logging in to the member zone with the username and password provided, download ForexDiamond_vXX.ex4 file from your personal download page to a convenient location on your computer.
- ❖ Copy ForexDiamond_vXX.ex4 into the Experts folder in the MetaTrader4 trading terminal directory.
- ❖ If you did not close your MetaTrader4 terminal before installing Forex Diamond, you will need to restart it now.

IMPORTANT! If your MT4 build is 600 or above, follow the installation instructions from below!

1. Identify your "Application Data" folder.

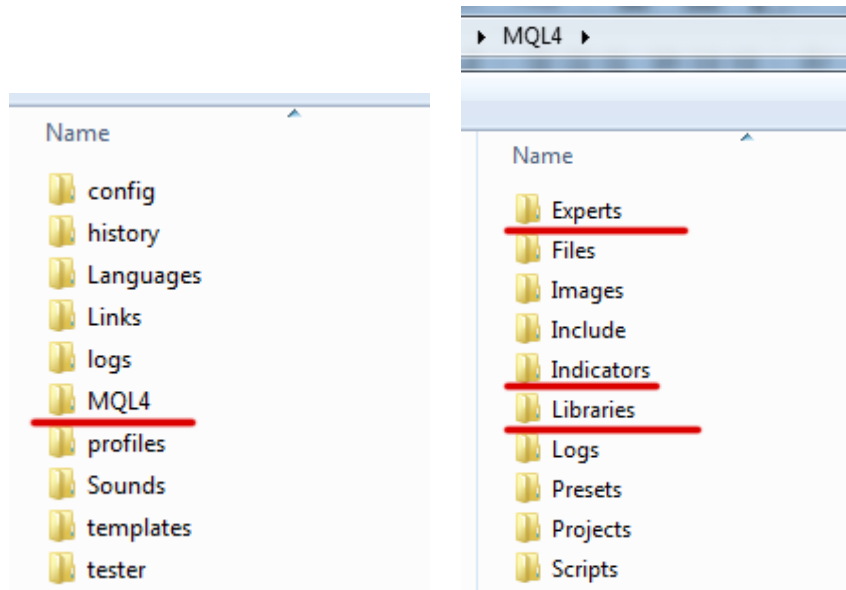
First you need to locate your Application Data folder of the MT4. To do this, go to the File menu in the MT4 platform and click on "Open Data Folder" (check out the image below).



2. Place your robot files in the right location.

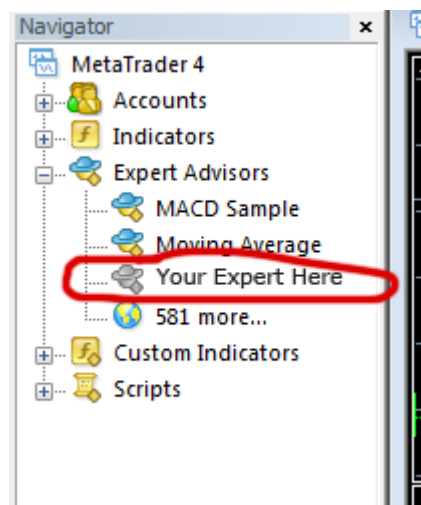
First thing to do is to open the MQL4 folder, which is in the "Application Data" folder (which you already see). The next steps are very easy:

- Place your "ForexDiamond_v4.0.ex4" file in the "Experts" folder inside the "MQL4" folder.
- Place your "ForexDiamondSimple_v4.0.ex4" file in the "Experts" folder inside the "MQL4" folder.



3. Run the EA.

After you have successfully placed the files in the correct folder, all you need to do is to restart your MT4. If you have done everything correct, the EAs should appear in the "Navigator" Tab of your MT4.



Activating Forex Diamond

To activate your copy of Forex Diamond for your demo and real accounts, log in to our member zone and then find the account activation page. Type your account number into the input field and click Activate. Repeat this procedure for each account. Use the demo accounts field to activate demo accounts, and the real-money account field to activate your real money account.

Your Forex Diamond licence is valid for two demo accounts and for one real-money account. The licence is not tied to one computer. You are free to trade using your accounts on any computer at home, in the office, or VPS.

You also have the option of removing any account you don't use and activating a new one on its place.

You should activate your demo or real account even if you only wish to backtest Forex Diamond.

Your online authentication procedure may take some time.

If you see an "Online Authentication Problem!" alert, wait a couple of minutes, or restart your MT4. If the problem persists, contact us at

support@forex-diamond.com

REAL MONEY ACCOUNT ACTIVATION

Activate your real money account number

#	ACCOUNT NUMBER	DELETE
1	16443	

You can activate 1 more real account/s.

DEMO ACCOUNT ACTIVATION

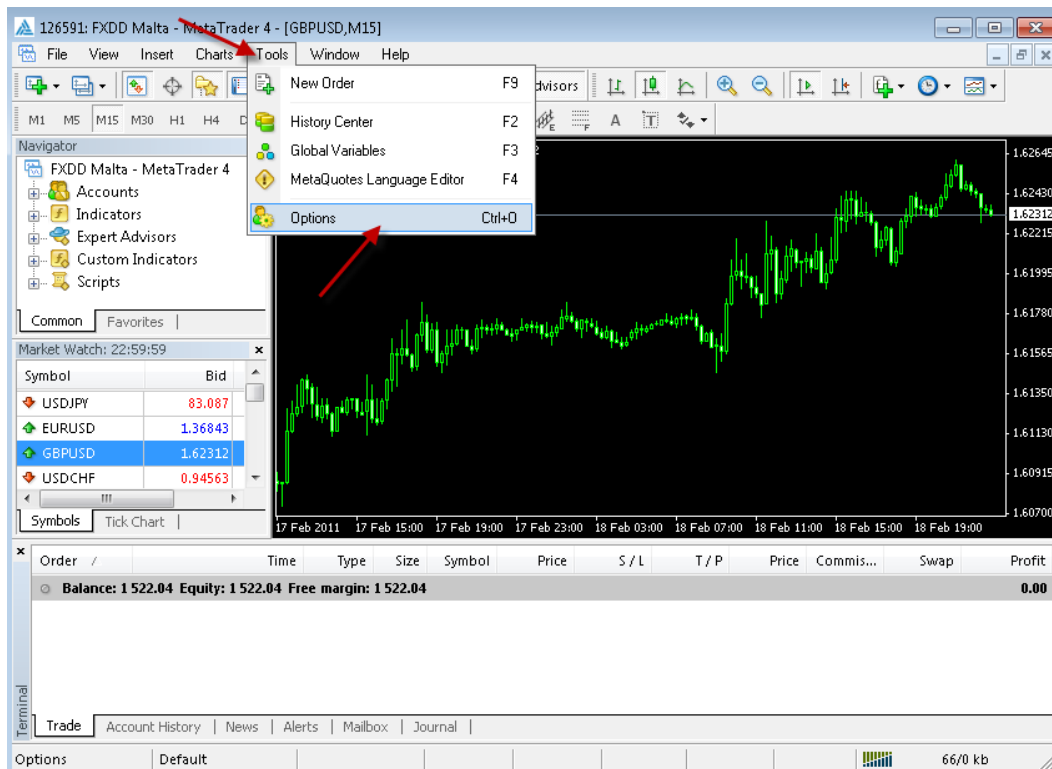
Activate your demo account number

#	ACCOUNT NUMBER	DELETE
1	543534	

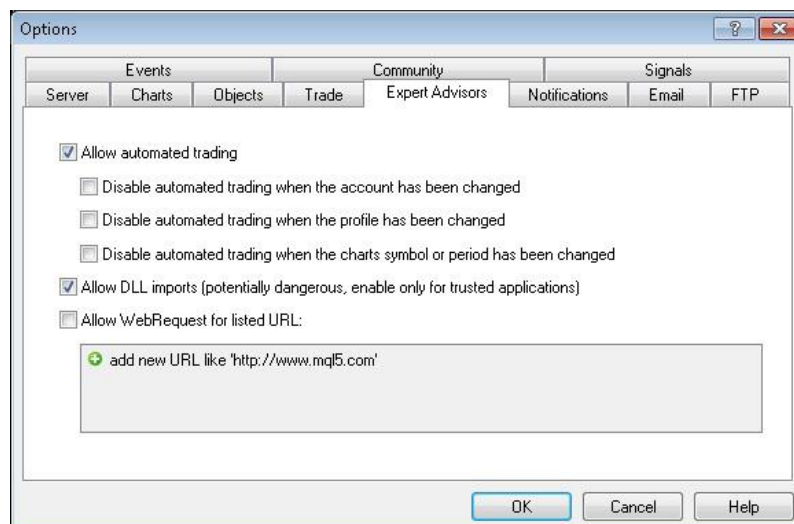
You can activate 999 more demo account/s.

Starting and Configuring Forex Diamond

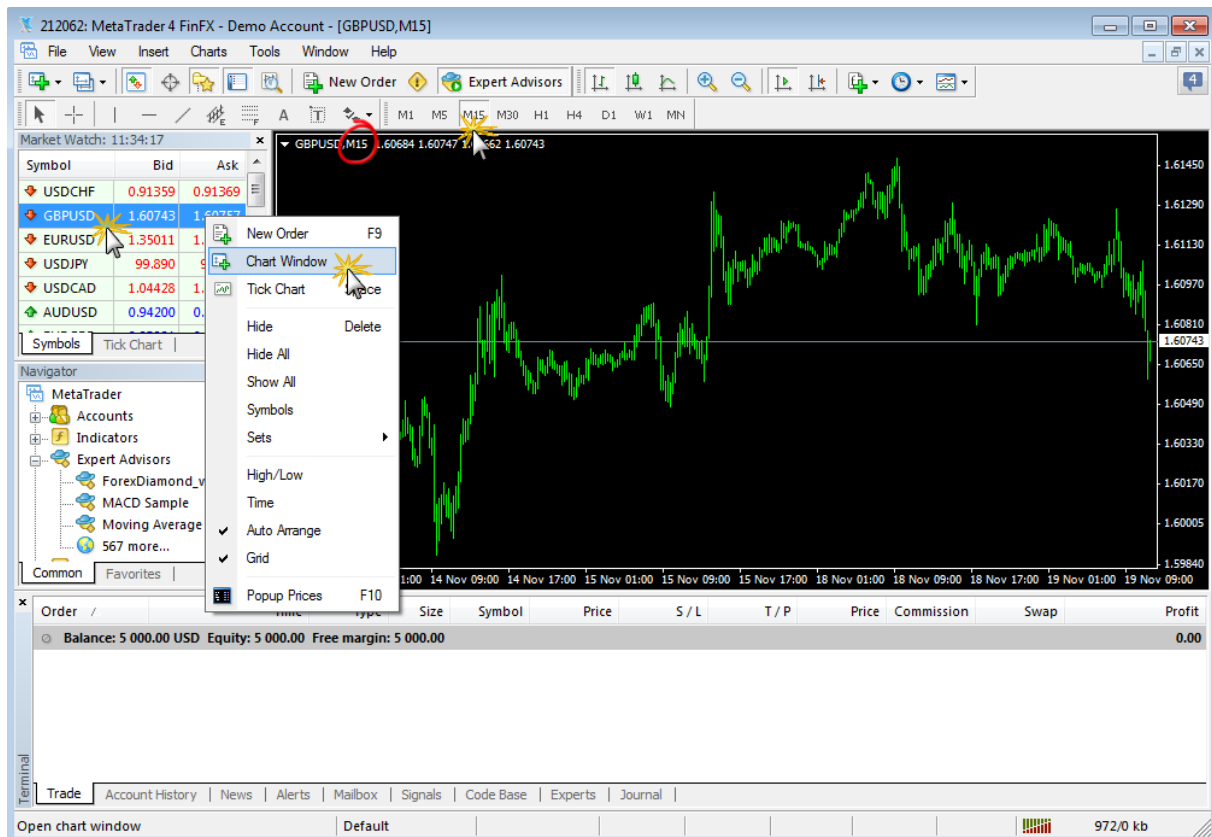
After installing and activating Forex Diamond, launch your trading terminal and click **Tools->Options**.



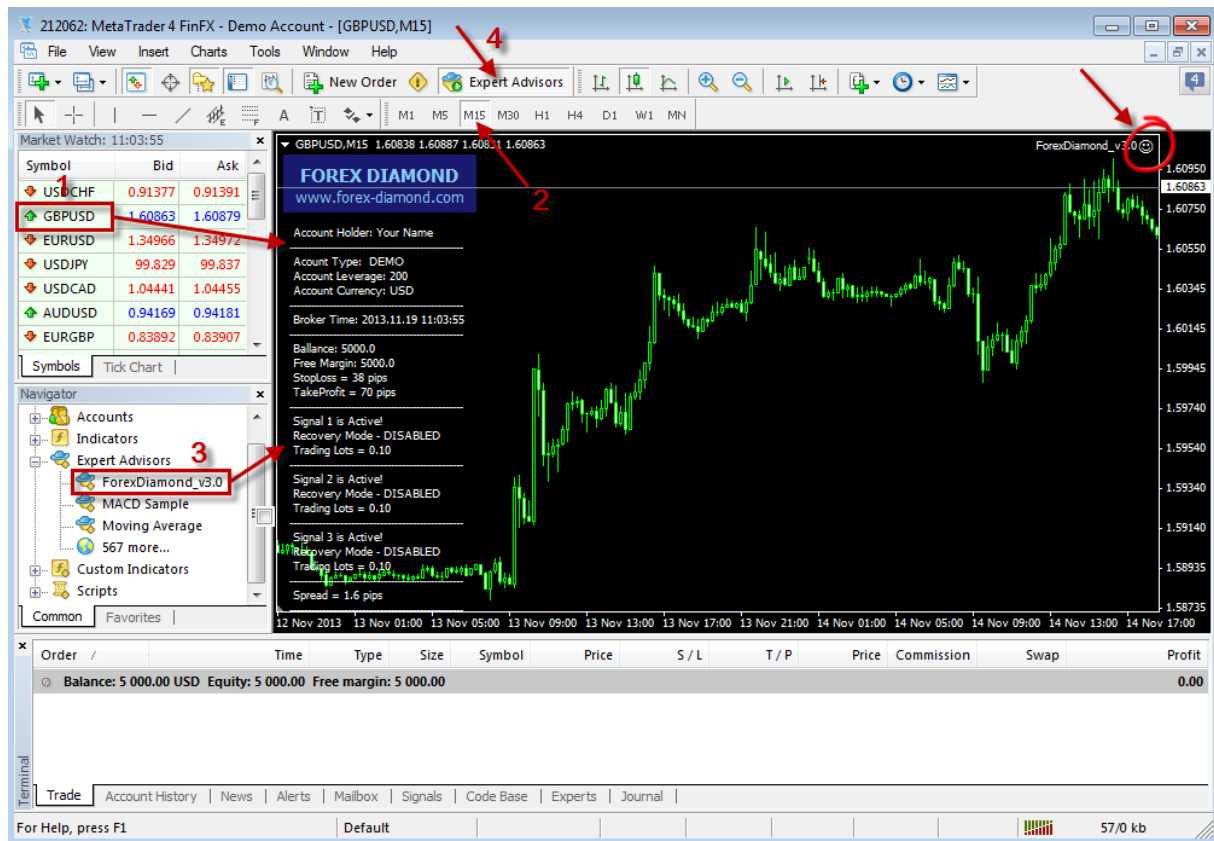
To ensure that Forex Diamond operates correctly, make certain that you have checked and unchecked all the boxes exactly as shown below.



Next, open the graphs for the currency pairs you wish to trade. Select the 15-minute graph, M15.



You are now ready to place Forex Diamond on the chart. In the Navigator window, double click Expert Advisors to expand it and see all the Expert Advisors including Forex Diamond. Right click Forex Diamond and select Attach to a Chart, or simply drag it onto the chart.



After placing Forex Diamond on the chart, **you should see a smiley face in the upper right hand corner of your chart.** This indicates that the robot is running. If you don't see a smiley face, click Properties on the menu bar and make certain that the Allow Live Trading box is checked. If it is checked and you still don't see a smiley face, go to Tools on the menu bar and select Options. A popup will appear. Select the Expert Advisors tab and check both the Enable Expert Advisors box and the Allow Live Trading box.

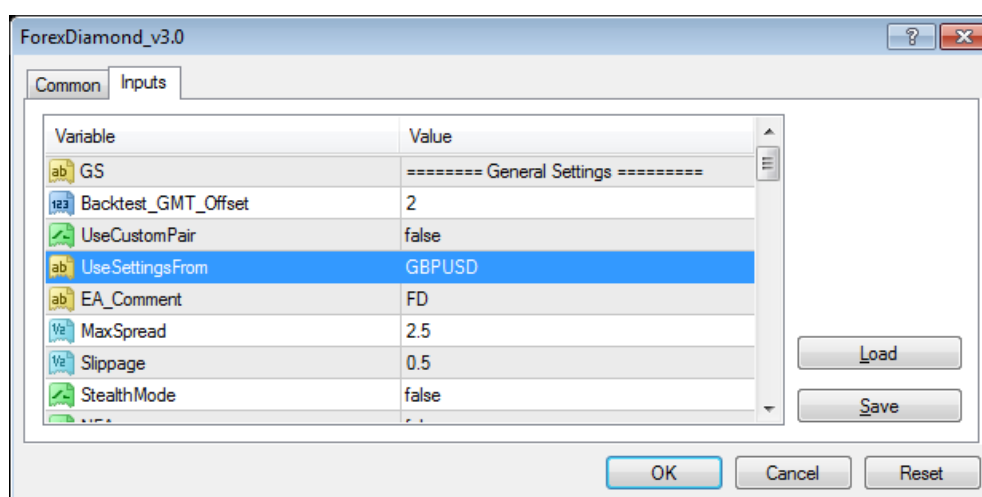
You can enable or disable Forex Diamond from the Expert Advisor button at any time.



Forex Diamond Settings

For all inexperienced FOREX traders, unfamiliar with the MT4 terminal and EA trading, we offer a simplified version of Forex Diamond (ForexDiamondSimple). This version has fewer options, but otherwise it is fully functional – just attach it to a chart and let it run. And, of course you're free to choose your own AutoMM, or FixedLots settings.

To edit Forex Diamond settings, right clicking anywhere on the chart and selecting Expert Advisors -> Properties.



Forex Diamond continually updates its trading logic and settings from our web server. This happens absolutely automatically and requires no intervention from you.

Most of the settings are expert settings that a regular, non-expert user wouldn't normally need to touch. However, there are several values that must be set by you. These are marked in red in the list below.

General Settings

GMT_Offset - here you should enter the winter GMT offset of your broker. This parameter is very important for back-tests. If you do not enter the correct GMT Offset for the back-test history data loaded in your MT4 terminal, your back-tests will be incorrect. This is also important when you use the "Avoid_News" function.

DST_Usage (true/false) - if your broker server time is based on DST(Daylight Saving Time – your broker has different GMT offsets for winter and summer), you should set DST_Usage=true otherwise DST_Usage=false. This is very important parameter for the News Filter.

UseCustomPair (true/false) – change this to “true” if you wish to use Forex Diamond on an unsupported currency pair, or in custom settings mode.

UseSettingsFrom - if you wish to use Forex Diamond on an unsupported currency pair, or in custom settings mode, this input parameter allows you to choose, which supported settings to use. At the moment, you have four possible choices - EURUSD, GBPUSD, USDJPY and USDCHF. **There is no need to change this parameter if you use any of the supported currency pairs – only if you use "UseCustomPair=true".**

EA_Comment - enter comments here if you’d like to record comments about your Forex Diamond trades.

MaxSpread - maximum allowed spread in standard 4 digit pips. You can also enter partial values.

Slippage - maximum allowed slippage in standard 4 digit pips. You can also enter partial values.

StealthMode (true/false) - in this mode, StopLoss and TakeProfit levels in program logic are hidden (i.e. brokers cannot see them). If you use this mode, StopLoss and TakeProfit orders are not located in the trading server, which means that if your trading terminal is not connected, or if the robot is not working, your orders are not protected.

NFA (true/false) - use "true" if your broker is NFA regulated. This mode will execute only one trade at a time.

No_Hedge (true/false) - use "true" if you wish to cancel all hedge trades.

Max_Orders_Total - maximum permitted (total for all three systems) number of Forex Diamond open trades at the same time.

- *Forex Diamond can open a maximum of 9 trades at a time (up to 3 trades for each system). Having nine trades open at the same time is quite rare and some of the trades will be hedged; however, 3-6 trades at a time is normal, so you should consider your trading volumes carefully in this context.*
- *If you feel nervous about having several trades open at the same time, you can limit Max_Orders_Total to 3 or even 1 - Forex Diamond will stay profitable, but the profit factor, and of course the total profit, will be reduced. However, it would be more reasonable to keep the Max_Orders_Total to 9 and simply halve or quarter your usual trading volume –*

this will keep the profit factor and the efficiency of Forex Diamond. In the table below you can easily see the relationship between Max_Orders_Total, the total profit and profit factors.

Pass /	Pips Profit	Total trades	Profit factor	Expected Payoff	Drawdown \$	Drawdown %	
1	30765.12	13011	1.34	2.36	1065.19	3.90	Max_Orders_Total=1;
2	52712.73	19963	1.40	2.64	1433.61	3.39	Max_Orders_Total=2;
3	69411.37	24015	1.46	2.89	1303.20	3.83	Max_Orders_Total=3;
4	79289.00	26302	1.49	3.01	1346.34	4.34	Max_Orders_Total=4;
5	86065.82	27588	1.51	3.12	1427.49	4.37	Max_Orders_Total=5;
6	90198.26	28231	1.53	3.20	1473.18	4.38	Max_Orders_Total=6;
7	91788.59	28450	1.54	3.23	1468.68	4.33	Max_Orders_Total=7;
8	92220.08	28527	1.54	3.23	1455.18	4.33	Max_Orders_Total=8;
9	92408.87	28555	1.54	3.24	1455.18	4.33	Max_Orders_Total=9;
10	92401.07	28555	1.54	3.24	1455.18	4.33	Max_Orders_Total=10;

Signal 1(2,3) Settings

Signal_1(2,3)(true/false) - activates or deactivates the signals of systems 1,2 or 3.

Magic_1(2,3) - a unique identifier through which Forex Diamond recognises and manages its own positions. If you use other expert advisors on the same account, please ensure that each of them has a distinct, unique identifier. Please note that Magic is different for all three Forex Diamond systems!

RecoveryMode_1(2,3) (true/false) - when RecoveryMode is activated, an algorithm effectively compensates the current drawdown by smoothly increasing trading volumes. This mode is active only when AutoMM_1(2,3) is greater than zero. Before activating RecoveryMode, please bear in mind that it can increase the risk to your account. For this reason, RecoveryMode should only be used at low values of the AutoMM_1(2,3) parameter. We recommend RecoveryMode with AutoMM_1(2,3) values below 1.

FixedLots_1(2,3) - the extent of the fixed trading volume of systems 1,2 and 3. If you use **AutoMM>0**, the value of the FixedLots_1(2,3) parameter will make no difference.

AutoMM_1(2,3) - automatic risk management activates at values greater than zero:

- Example 1: at AutoMM = 0.5, Forex Diamond opens positions equal to 0.05 lots (5,000) given account extent of 10,000. This places 0.5 per cent of the account extent at risk per individual transaction at a loss of 100 pips.

- Example 2: at AutoMM = 2, Forex Diamond opens positions equal to 0.2 lot (20,000) given account extent of 10,000. This places 2 per cent of the account extent at risk per individual transaction at a loss of 100 pips.

If you use Forex Diamond on more than one currency pair, you should seriously consider reducing the risk levels for each currency pair in proportion to the number of pairs you are trading.

AutoMM_Max_1(2,3) - the maximum permitted risk expressed as a percentage of the account per individual transaction, calculated on the basis of a 100 pip loss. When RecoveryMode is used, this parameter limits the upper value of the risk.

Max_Orders_1(2,3) - maximum permitted number of open trades at the same time for each system 1,2 or 3.

Trade_Interval_1(2,3) - minimum time interval (in minutes) between the trades of the separate Forex Diamond systems.

Expert Settings

ExecuteOnEveryTick (true/false) - Forex Diamond is designed to calculate and execute all signals on a base of one-minute-bar open price. However, there is an option for advanced traders who may need a signal calculation and execution on every tick. This feature opens a field for real-tick experiments with the **ExtraPipsSignal_1(2,3)** parameters.

TakeProfit – fixed Take Profit value in standard 4 digit pips. Most Forex Diamond trades are closed by trading logic, so the fixed Take Profit is there to provide additional options for experts.

Min_StopLoss – minimum StopLoss in standard 4 digit pips.

Max_StopLoss - maximum StopLoss in standard 4 digit pips.

- The actual Stop Loss is dynamically calculated on the basis of current market volatility, so the purpose of the Min_StopLoss and the Max_StopLoss values is to limit the actual dynamically calculated Stop Loss. These parameters also provide an option for advanced traders to use their own fixed Stop Loss if equal values of Min_StopLoss and Max_StopLoss are chosen.

ReverseProfit – **is important for the performance parameter**, and means a minimum pips profit in which the position will be closed if the price indicates a reversal. The default ReverseProfit value is zero, which means that Forex Diamond will use a value broadcasted by our server. If you enter a value greater than zero this will overwrite the automatic value. Reasonable ReverseProfit values are values between 5 and 15 pips.

ExtraPipsSignal_1(2,3) - a threshold value (in standard pips) that controls the position opening of the Forex Diamond system 1(2,3). If for example you chose a positive value of 2 pips, the position opening logic will wait for 2 pips market movement against the initial signal before opening a position. This can increase the average profit of the system, but can also result in you missing some good trades. If you keep the default zero value, Forex Diamond will use specific values for ExtraPipsSignal_1(2,3) for each one currency pair.

Use_Trend_Filter (true/false) – activates/deactivates a trend filter of all three signals.

- The trend filter can increase Forex Diamond's Profit Factor and Expected Payoff, but this may be at the expense of total profit and trading frequency.

Trend_Period – the period of the trend indicator.

Trend_Strenght – the minimum distance (in pips) between the price and the trend indicator, below which trades will not be taken.

The table below contains information about how the Trend Filter option and the Trend_Strength parameter affect several important performance parameters. These include: total profit, trading frequency, profit factor, expected payoff and drawdown.

Pass /	Profit	Total trades	Profit factor	Expected Payoff	Drawdown \$	Drawdown %	
1	14830.02	4031	1.79	3.68	789.63	23.30	Trend_Strength=0; i
2	14250.41	3860	1.79	3.69	819.07	20.08	Trend_Strength=5; i
3	14118.73	3662	1.86	3.86	756.89	21.32	Trend_Strength=10
4	13749.09	3465	1.91	3.97	744.30	20.56	Trend_Strength=15
5	12921.22	3193	1.95	4.05	747.68	22.52	Trend_Strength=20
6	11959.17	2895	1.99	4.13	757.78	24.25	Trend_Strength=25
7	11282.57	2601	2.09	4.34	757.78	25.93	Trend_Strength=30
8	9629.01	2289	2.04	4.21	778.58	28.68	Trend_Strength=35
9	8577.65	2020	2.06	4.25	774.36	28.61	Trend_Strength=40
10	7735.34	1768	2.13	4.38	656.75	24.68	Trend_Strength=45
11	7002.15	1527	2.25	4.59	626.47	19.95	Trend_Strength=50
12	6265.47	1326	2.34	4.73	597.87	17.65	Trend_Strength=55

Monday-Friday Settings

MondayStartHour - Forex Diamond will open positions after this hour on Mondays.

FridayExit (true/false) - if you wish to limit Forex Diamond trading on Friday, use FridayExit=true.

LastTradeHour - Forex Diamond can trade until the end of this hour on Friday.

ExitHour - Forex Diamond will close all open positions at this time on Friday if FridayExit is used.

News Filter Settings

Avoid_News (true/false) - if you wish to use the news filter function, you should set Avoid_News=true

Include_Medium_News (true/false) - if you wish to avoid the medium impact news too, you should set Include_Medium_News=true.

Wait_Before_News - the number of minutes before the news event, during which trading will be switched off.

Wait_After_News - the number of minutes after the news event, during which trading will be switched off

Risk Management Tips

Risk management is of fundamental importance in attaining optimum trading results. It pays to think carefully before deciding what percentage of your account to expose to risk in each individual transaction.

Forex Diamond opens a maximum of 9 trades at a time (up to 3 trades for each system). Having nine open trades at the same time is quite a rare occurrence and some of the trades will be hedged, but 3-6 trades at a time is normal, so in this context the risk values below are lower.

If you use Forex Diamond on more than one currency pair, you should seriously consider reducing the risk levels for each currency pair in proportion to the number of pairs you are trading.

If your account is significant in extent and importance and you want to avoid taking unnecessary risks, then you should settle for **AutoMM** values between 0.5 and 1.5 per cent risk per individual transaction. In such cases, you can expect an annual return on investment in the order of 20 to 80 per cent.

If your account is not significant in extent or importance, and if you can afford to assume significant risk, then you can probably afford to select **AutoMM** values between 2 and 5 per cent per individual transaction. In such cases, you can expect a return on investment in the order of 100 and 400 per cent per year. Bear in mind, however, that the level of risk assumed means that the chances of losing the entire account are much greater.

For example, if you have a USD 10,000 account free margin, then:

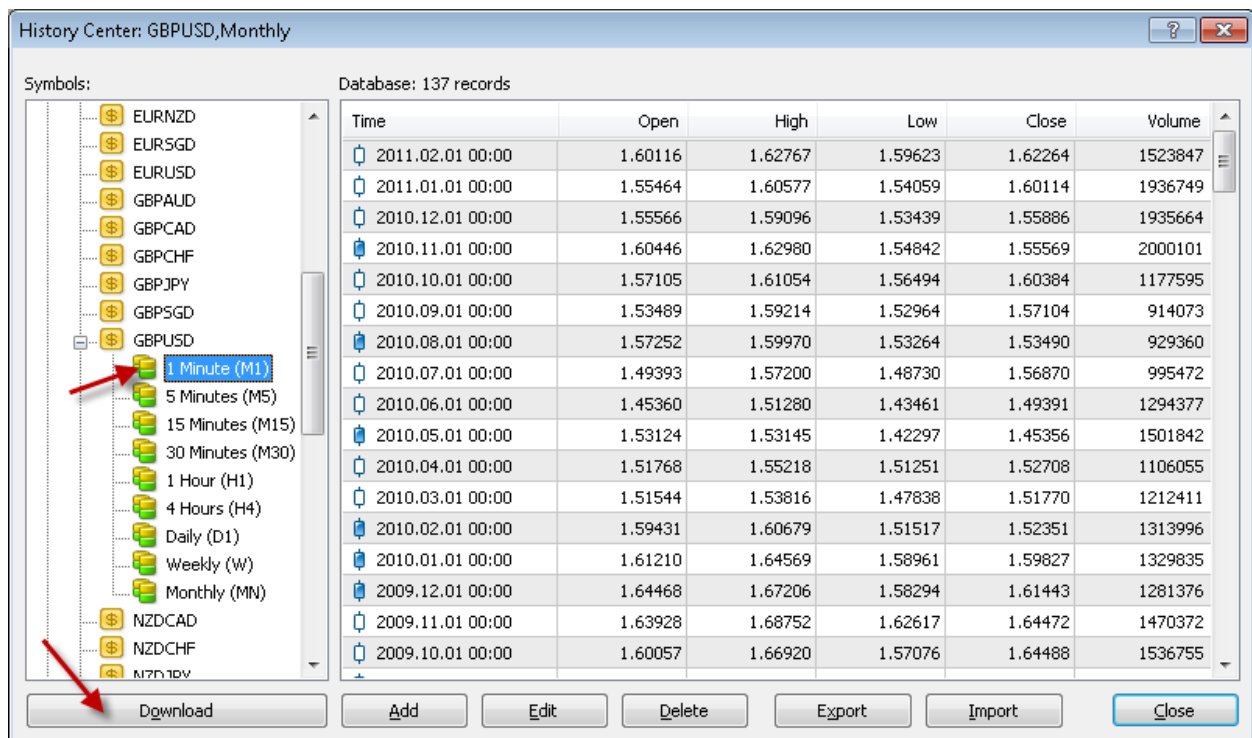
- If $\text{AutoMM_1}(2,3)=0$, the EA will trade with volume = parameter FixedLots (defaults FixedLots=0.1)
- If $\text{AutoMM_1}(2,3)=0.5$ (0.5 per cent risk) the EA will open 0.05 standard lot positions.
- If $\text{AutoMM_1}(2,3)=1$ (1 per cent risk) the EA will open 0.1 standard lot positions
- If $\text{AutoMM_1}(2,3)=3$ (3 per cent risk) the EA will open 0.3 standard lot positions

How to Back-Test Forex Diamond

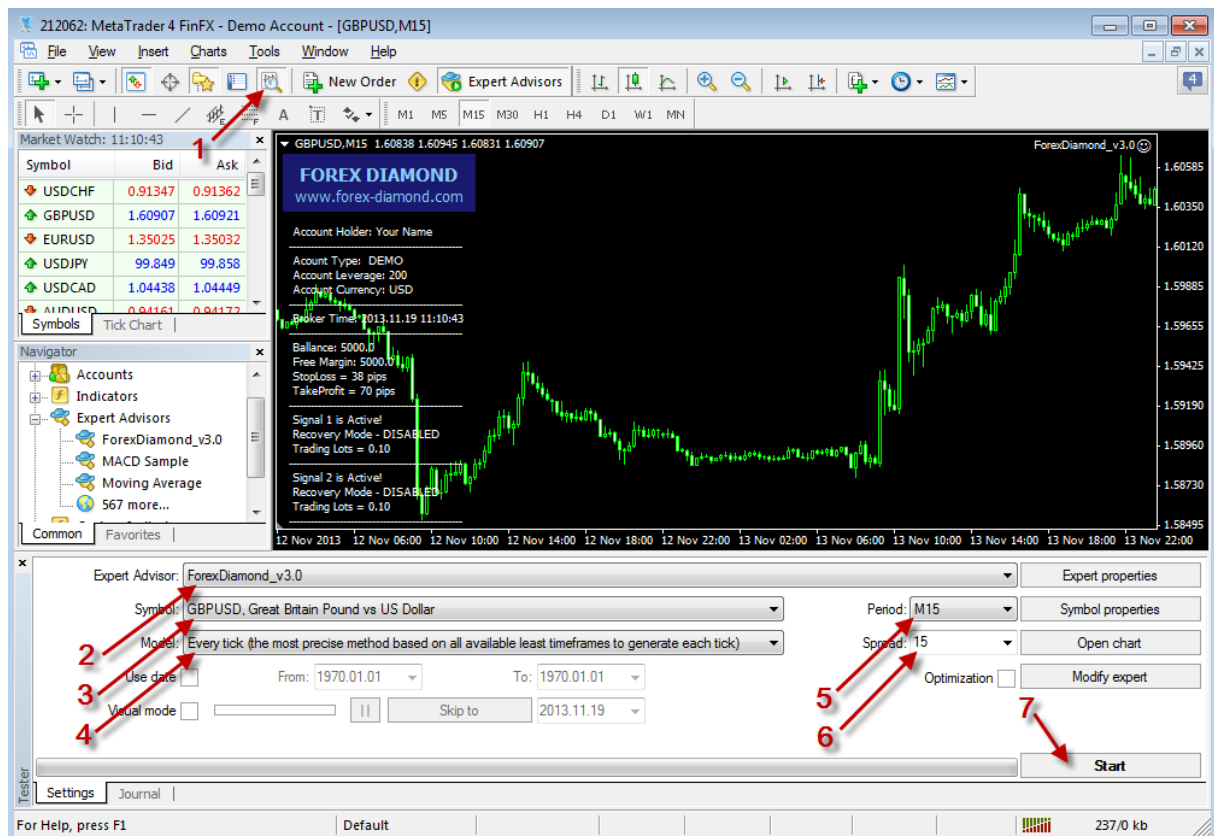
Please do not forget to activate your demo or real account, even if you only wish to backtest Forex Diamond!

It is important to note that high quality history data is essential for the backtest results. Most MT4 brokers do not have records of their own history data, and the quality of the Metaquotes data they provide in the MT4 history center is very low. Since 2000, the highest quality history data has been available at the Alpari RU MT4 history center. We base all of our developments on this data.

If you wish to back-test Forex Diamond, you should first download history from the MetaTrader history center: click *Tools -> History Center*, or press the "F2" key on the keyboard. In the list, find the currency pair that you wish to back-test and double click to expand it. Click "1 Minute (M1)" and then click "Download". When the download process is finished, double click on "5 Minutes (M5)" and all periods to "Daily (D1)" to convert the M1 data. Close the "History Center" window.



To open the "Strategy Tester" window, click the "Strategy Tester" button on the MetaTrader menu, or press "Ctrl+R" on the keyboard. In the "Strategy Tester" window, choose "ForexDiamond_vXX", choose the GBPUSD, EURUSD, USDJPY or USDCHF pair on the M15 timeframe. Choose the "Every tick ..." method as shown below. Click "Start" to start the back-test.



The "Every tick" back-test is the most precise, but it is very slow. If you wish to save time you can run the back-test on **the M1 timeframe** using "Open price only ..." – this method will also be correct, because Forex Diamond is designed to operate on a base one-minute-bar open price (unless ExecuteOnEveryTick mode is used).

We strongly recommend that you operate a demo account before trading with real money! This will help you to become familiar with the way Forex Diamond operates before you commit genuine funds to a real money account.

Terms of Use and Risk Disclosure

U.S. GOVERNMENT REQUIRED DISCLAIMER

FOREX 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 FOREX markets. Don't trade with money you can't afford to lose. This is neither a solicitation nor an offer to Buy/Sell currencies, 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 web site.

The past performance of any trading system or methodology is not necessarily indicative of future results.

Trading foreign exchange on margin carries a high level of risk and is not suitable for all investors. The high degree of leverage can work against you. As with all investments, you should not invest money that you cannot afford to lose. Before deciding to invest in foreign exchange, you must carefully consider your investment objectives, level of experience, and risk appetite. Additionally, you must be aware of all the risks associated with foreign exchange trading and seek advice from an independent financial advisor. Past results are not necessarily indicative of future success.

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 UNDER-OR-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.

By using **Forex Diamond**, you acknowledge that you are familiar with these risks and that you are solely responsible for the outcomes of your decisions. We accept no liability whatsoever for any direct or consequential loss arising from the use of this product. It's to be noted carefully in this respect, that past results are not necessarily indicative of future performance.

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