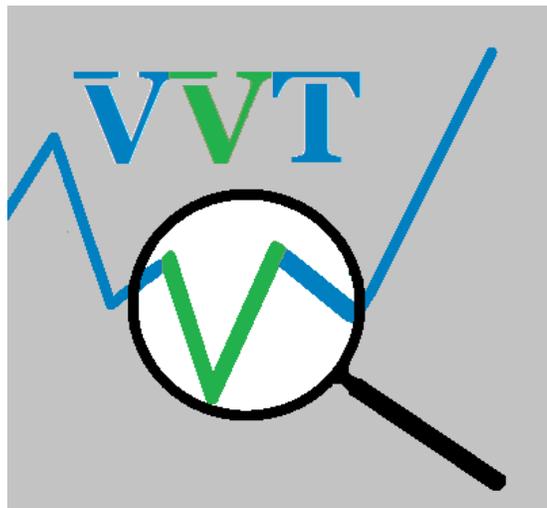




VisualVTrader



Reference Manual



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1 Part 1- Visual V Trader Reference Manual

1.1 Purpose

VisualVTrader is market forecasting software that scans multiple markets for a specific price pattern that produces highly reliable alerts.

The technology behind the system is unique and there is nothing like it on the market today. More than 20 years of research was performed and the result is VisualVTrader.

Within the design of this technology is the ability to make winning trades more often, being more profitable and therefore having greater life choices.

The technology works today on market data that can be obtained via NinjaTrader™ no matter what kind of data is involved, be it stock, commodity or futures data.

1.2 Purely Profit

VisualVTrader is an alert generating system. It is NOT a trading platform or an analysis package. Although you can trade from the VisualVTrader interface and see charts, it is NOT a charting package. You will NOT find indicators or other charting tools because they do not provide better profitability in our opinion.

The sole purpose is to provide highly reliable chart patterns based on the technology and allow the trader an opportunity to capitalize on those patterns. It is the trader who makes the final decision on the pattern and determines the efficacy of the alert.

1.3 Hardware Requirements

The more processing power the better. We would suggest no less than a Intel I7 CPU running at 2.4GHz or better with 16 GB or ram, but you can get by with as little as 8GB. The hard drive should be a 7200 RPM drive or better, some nice advances in solid state drives really speeds things up, but it is not required.

We do **not** recommend using shared servers as supported by some clearing/brokerage houses. VisualVTrader requires serious processing power and sharing the CPU is not going to help you. **If you can get a server to yourself**, however, this would provide the fastest exchange of data to/from your machine and the trading desk.

1.4 Software Requirements

VisualVTrader runs in a Windows environment and fully utilizes the multi-threading capability, as well as, multi-core processing capability of current day CPUs.



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We do not support running under a MAC environment, although it might work fine, because we do not believe that it is as reliable as a natively run Windows operating system at this time.

VisualVTrader will run on Windows 7 or Windows 8 operating systems.

1.5 Internet Requirements

The faster the better in terms of getting data loaded and response time for trading.

We would recommend no less than 5GB/sec download speed but everything is dependent on how fast those trades can go through to the exchange. You should have a VERY fast ping speed to the exchange. What is VERY fast...less than 50 ms will be fine and I've traded with slower speeds than that, but the faster the better.

It also depends on the way one trades. I personally never use the enter button, but place orders as stops or limits into the market using the right click order entry method. Because this is the way I trade, the order is already on the exchange before the market gets there and my internet speed is not as critical. Getting the information back, regarding the trade is still important however, because once a trade is entered we need to place stop and target orders into the market.

1.6 Data Feeds

The data is obtained from within NinjaTrader™. Whatever data feed you have from your broker can be fed into VisualVTrader. The only requirement is that the user configure a "strategy" within Ninja to supply the data and VisualVTrader will do the rest. This will be discussed later in the configuration sections of this document.

1.7 Installation

Please close down the virus protection on your computer unless you know how to configure it to not interfere with the installation process.

- Step 1: Go to <http://VisualVTrader.com/Downloads> to obtain the software.
- Step 2:
- Step 3: Run the setup.exe file as an administrator. You can do this by right clicking on the setup.exe program and selecting "Run as Administrator".
- Step 4: Complete the steps to finish installation normally.
- Step 5: It is not absolutely required, but please reboot the system after installation is complete.
- Step 6: Start NinjaTrader™ and open a chart and verify that you are able to place one of the VisualV Indicators on the chart.
- Step 7: Send an email to support@visualvtrader.com to and include your NinjaTrader™ machine id so that we may authorize your license.

1.8 Short Hand Definitions

This document may use these interchangeably throughout.



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PS = Pre-Straight, the data leading up to the correction before the left straight.

LS = Left Straight, the "line" on the left side of the V

RS = Right Straight. the "line" on the right side of the V

APEX = The point (price) at which the RS and LS intersect. It is the bottom of the V for a long alert and the top of the upside down V in a short alert.

PCB = price change bar

O = Bar open

H = Bar high

L = Bar low

C = Bar close



1.9 Getting Started

After starting the VisualVTrader, the screen should look something like this (although I did resize it to save space):

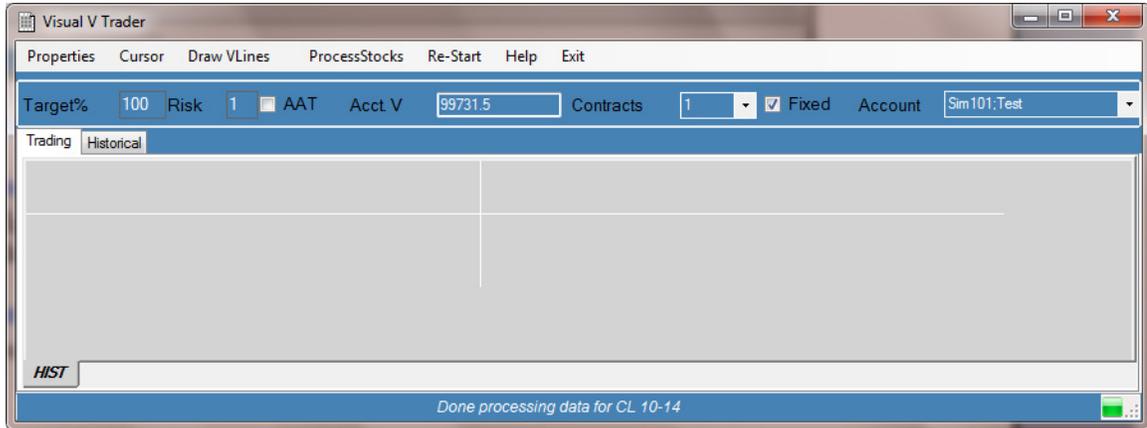


Figure 1-1 Introduction to VisualVTrader

1.9.1 Menu Bar

1.9.1.1 Properties

Allows configuration of when alerts are generated and setting up the tick and minute charts to trade.

1.9.1.2 Cursor

There are two cursors in VisualVTrader. An arrow cursor and a crosshair cursor.

To change between the two cursors, press the menu item labeled "Cursor".

The historical tab is in focus with no alerts having come in at this point in time and it is using the cross hair cursor indicated by the two white lines, one horizontal and one vertical. If a chart had been displayed, it you could see the price and time highlighted in on the bottom and on the right of the chart.

1.9.1.3 Draw VLines

Draw VLines will draw Murrey math lines on the chart from the end of the LS to the right side of the chart. Pressing this again will cause the lines to not be drawn.

1.9.1.4 Process Stocks

This will be implemented in the future to process end of day data for stocks which can be downloaded from Yahoo or Google.



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1.9.1.5 Re-Start

This will remove all alerts from VisualVTrader and start receiving data from scratch. This is not normally used, but if the tick or minute sizes are changed, it will inform you that you need to press this menu item.

1.9.1.6 Help

This menu item contains 4 items.

1. Information about VisualVTrader.
2. Trouble shooting. This guides you through different scenarios if you are not getting a green light see section 1.9.2.2.
3. Press F1 on fields for more information. This is just to inform you that if you press the F1 key on the fields that you can get information about those fields.
4. The last item tells you the version number of the software.

1.9.1.7 Exit

This is provided in the menu, because the normal close button at the upper right hand part of the screen will disappear when you are in a trade (the button will appear when not in a trade). This, of course, means that you could not exit VisualVTrader without killing it through the task manager. This allows you to exit even if you are in a trade if you wish, but you will be asked to verify that you want to exit the program if in a trade.

1.9.2 Status Bar

There are two parts to the status window at the bottom of the application. A text portion and a connection "light" as described in the next two sections.

1.9.2.1 Status Bar Text

The text portion shows information to let you know what is going on under the covers.

If NinjaTrader™ was not running and/or the strategies had not been started, then it would say, "Waiting on Connection" of the bottom status display.

From the figure above, you can see that VisualVTrader has processed data as indicated at the bottom of the window, i.e. "Done processing data for CL 10-14". This means that the all data required to start processing the CL 10-14 contract has been received and stored internally. New data will be processed to find V patterns in the data.

Other status messages will show up indicating how many bars have been received for every chart type across all instruments. And if we have a position in a particular market, the status of the target/stop.

1.9.2.2 Status Bar "Light"

If data is being received, the light will be green otherwise gray.



From the figure above, you can see that VisualVTrader has connected to the "data source" because of the green light in the lower right hand corner.

1.9.3 Trading Controls

1.9.3.1 Target%

You can adjust the target to a percentage other than 100% by changing the value in the box next to the Target% label. In this example, it is set at the 100% level.

1.9.3.2 Risk

This parameter is only used when the number of contracts is set to zero (0).

This is the risk in percent per trade based on account that one is willing to risk on a given trade. If you have 100,000 in your account and you select 1 as the percentage, then you will risk \$1000 or less on each trade. If the Contracts field is set to 0 (see section 1.9.3.3.2), then it will use this value to automatically calculate the number of contracts to trade which could be from 1 to a very high number depending on account size. If trading even 1 contract exceeds the risk then no trade will be placed if the Contracts field is set to 0.

1.9.3.3 Contracts

The number of contracts can be adjusted in several different ways to accommodate many different trading styles.

1.9.3.3.1 Specific Number Of Contracts

As a new user, we suggest setting the number of contracts to 1 or trading single lots and to use a simulation account until you are confident in your ability to select the proper trade setups.

There is only one step to do this: set the number of contracts to a specific number, i.e. 1, 2, 3 to trade a fixed number of contracts.

The Risk parameter is not used when using a specific number of contracts so make sure you look at the R/C field on the alert to see how big that risk is before trading.

1.9.3.3.2 Fixed Percentage

Steps:

1. Set the Risk% to the desired risk you are willing to take as a percentage of account.
2. Set the contracts to 0 which indicates that the number of contracts are to be calculated automatically.
3. Set the account value at the start of the trading day.



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1.9.3.3.3 Fixed Number of Contracts

If trading multiple accounts and the accounts have different amounts of money in them, it is possible to trade less contracts in the smaller account and more contracts in the larger account.

So, let's say one account has 20,000 and the other 40,000. This is a 1 to 2 ratio. By clicking the Fixed check box and setting the number of contracts to 1, it would trade 1 contract in the small account and 2 in the larger account.

In order to utilize this feature the green light must be on, so if you are going to use this for the first time, then you will need to start the strategies in NinjaTrader™ which is described in section 3.4.

You must also configure VisualVTrader to trade multiple accounts as described in section 2.1.2.

The account field will also come into play here as you need to select multiple accounts when using the fixed contracts feature as well as verifying the funds in the account is correct.

Click on the combo box down arrow to the right of the label "Account". This will bring up a new window allowing you to select multiple accounts. Select one or more accounts and click the OK button. After you do this, the drop down list box will open and you will see the last item contains the selected accounts separated by semicolons. Select this as it contains multiple accounts and you are ready to go. As can be seen in the figure below, the account field has Sim101;Test for the accounts in which to trade.

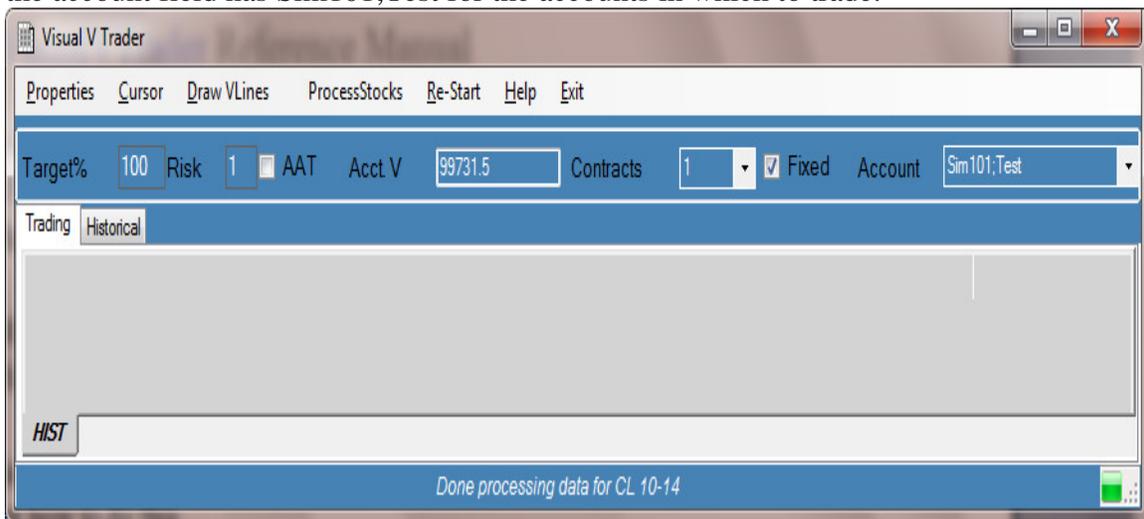


Figure 1-2 Multiple Accounts

1.9.3.3.4 AAT

AAT stands for auto adjust target. This is based on the retracement the market makes against the direction of the trade and as shown below, will move the green line to show where the target should be based on that retracement. If you are



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going to use AAT, then the target percentage adjustment should be set at 100%. You can test this method using a simulation account or not use it at all.

1.9.3.4 Account

After a connection has been made by starting strategies (discussed later) you may select an account using the drop down list box. If the account is blank, then it will trade to the Sim101 account, but I prefer to see the account name of Sim101 in this field.

1.9.4 Upper Tabs

As seen above there are two tabs in the upper part of the application screen. The upper Trading tab allows the user to see a chart as large as possible. The other upper tab is named Historical and allows one to see information about alert that have been generated in the past.

1.9.5 Lower Tabs

There is always a HIST (historical) tab present to see previous alerts that have completed and also shows historical alerts when on the Upper Historical tab.

Each new alert that is found will be displayed in it's own tab and if it is the first alert, will automatically be selected for viewing as well.

1.10 Application Overview

As we write this manual, an alert pops up and plays a sound file to notify us that an alert has been generated. This particular alert is a VBar alert indicated by the V on the tab below the alert and in the Symbol at the top of the chart TF 12-14 6V. This is a 6 tick VBar chart. (FYI, It is not recommended for beginning traders to utilize VBar charts, although they may be used with some experience and knowledge of how VBar charts are formed.)

Everything you need to trade the alert shown below is available on VisualVTrader.



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1139.1. The chart can be eliminated or closed by hitting the button that is red and has an X in it.

The bid and ask prices also have a background color that changes. For a Short alert, it is the bid that changes color and for a Long alert, it is the ask that changes colors. There are three colors that are displayed, Green meaning you should not get any slippage because the last trade is at that price, white meaning you will probably get 1 tick slippage and red which means the slippage will be 2 ticks or more. Trade when it is green or white and **not** red if you wish to enter the market using the Short or Long entry buttons. Care should also be taken when the bid and ask prices are not within a 2 ticks of each other. This indicates a thin market or possibly a contract nearing rollover and trading should be avoided.

This particular chart shows buttons for trading both short and long and are configurable, as described in section 2.1.2. Beginners should not enable this option and should always take a trade in the direction of the alert. This example shows an short alert. The button on the left will always be in the direction of the actual alert and the button on the right, if configured to be shown, will be in the opposite direction. These entry buttons will place market orders when pressed to enter into a position.

Right clicking on the chart will also enable limit or stop orders to be placed into NinjaTraderTM if configured, please see section 2.1.2.4. These limit or stop orders must be filled at the price requested or no trade will take place. As an additional feature, if a limit or stop order is in place and has not been filled and the alert is complete either to the upside or downside, these orders will be cancelled for the trader automatically.

Figure 1-3 shows an alert which has pulled back nicely after a penetration of the yellow line and is a really good candidate to trade with a RR of 1.57.



1.10.1 Right Click Order Entry



Figure 1-4 Right Click Order Button

This is an example of entering a stop order into the market. The tab changes colors to let you know that you have an order in the market that has not been filled and a SS (sell stop) order is in place at 1139.1. Right clicking on this SS control will cancel the order.



1.10.2 Trade Active



Figure 1-5 Entered Short

After canceling SS order in the previous section, I entered at the market just to write this next part for you all.

When a trade has been entered as in the chart above the tab turns green indicating that you are "in" the Russel (TF) and the entry is shown or 1140.8. The Loss shows the probable loss on this trade if we were to hit the exit button at this point.

The stop and targets may also be moved to exit the trade. Because VisualVTrader is set up to use a 60% target, it placed the target at 1138.0 (which is also the green line running straight through the middle of the target button) instead of the 100% target of 1137.2.



1.10.3 Trade Complete



Figure 1-6 After Exiting a Trade

As shown above, I exited this trade to continue writing this document for you so I could show you another thing or two. The profit from this trade was \$100.00 minus a commission of 5.60 (configured in NinjaTrader™) for a total profit of 94.40 in a very short period of time.

1.10.4 Images and Data Files

Images are created in a directory on your computer for later review. This directory is in your user documents folder under VisualVTrader\Alerts. Images are generated in the following 4 scenarios:

1. Alert Generated (an alert)
2. Alert Complete (a result)
3. Trade entry (an entry)
4. Trade completion (an exit)

The image file name will contain an alert number followed by either Alert, Result, Entry, or Exit followed by the symbol, chart type, date, time and a price followed by either Short or Long depending on the alert direction.



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Data Files are also created so that historical data can be captured and analyzed for future use. If this directory has a huge number of files, the files could be moved into another directory and still be analyzed at a later time. The only reason that I mention this is because a directory with a large number of files takes a long time to load and it takes more time to store the information. Analyzing the historical data is not described in this manual at this time. This manual will either be updated or another document written describing the kinds of analysis that can be done.

2 VisualVTrader Application Configuration

The menu item for configuring VisualVTrader is shown after pressing the menu item "Properties".

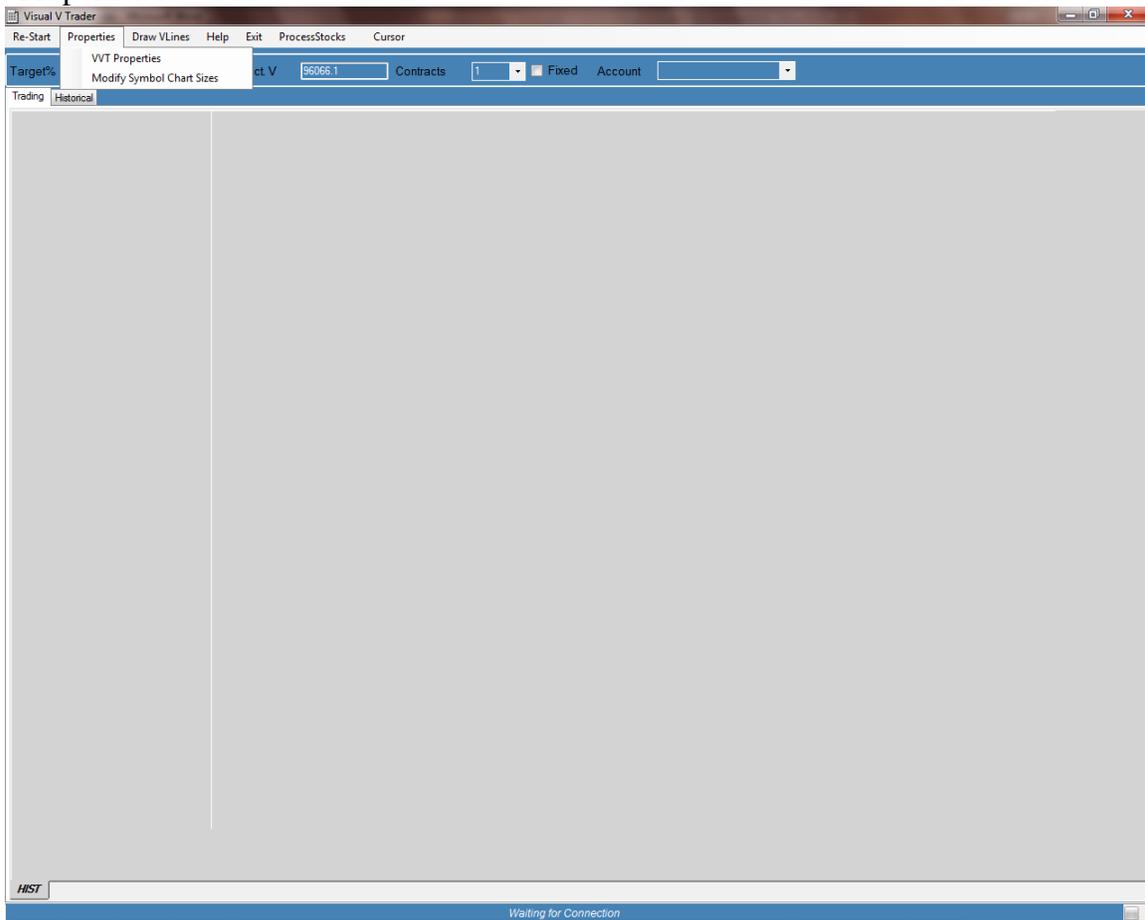


Figure 2-1 Menu Item Introduction

2.1 VVT Properties

VVT Properties controls the functioning of VisualVTrader including alert generation settings, color of the charts, trade settings and options charting parameters.

Modify Symbol Chart Sizes controls the size of the charts being processed by VisualVTrader.



2.1.1 VisualVTrader Alert Generation Parameters

While we here at VisualVTrader want all traders using this software to be content with the number of alerts they receive, certain parameters are allowed to be modified so that "more" alerts can be generated. However, with that being said, we do not agree that more alerts means better profitability or better trades. We recommend the following settings be used for users new to the software.

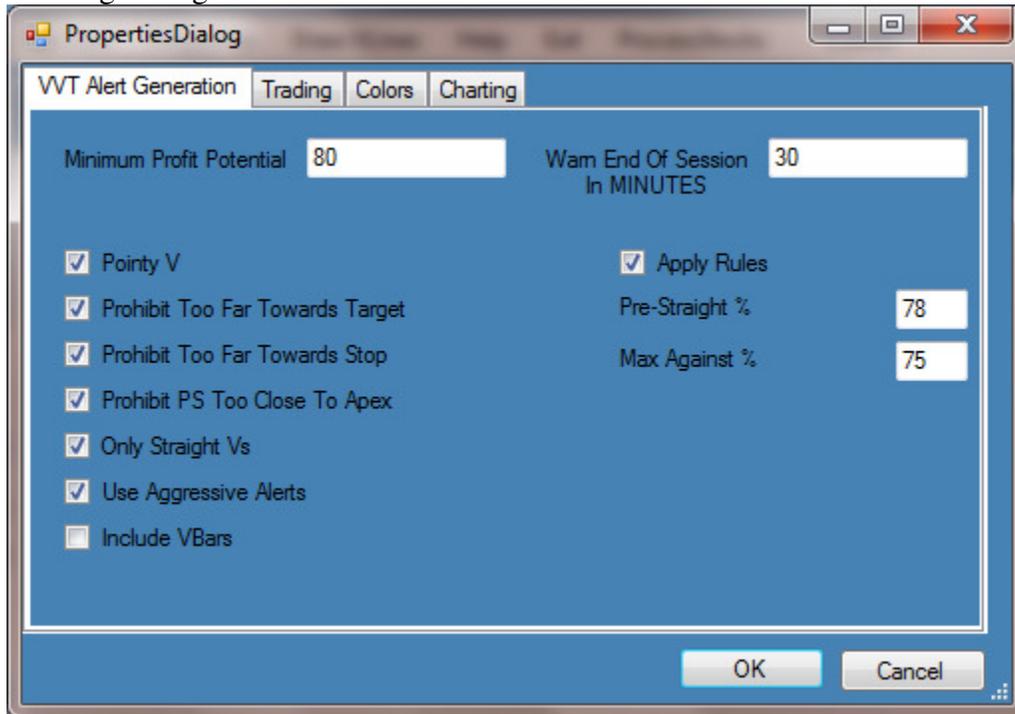


Figure 2-2 Properties - VVT Alert Generation

2.1.1.1 Minimum Profit Potential

This is the dollar amount required as a potential profit in a trade to the 100% target. The default is \$80.00 dollars and can be adjusted up or down to your liking, but we believe this is a good starting point. The higher the value, the less alerts you are likely to have and the lower the value, the more alerts you are likely to have. We believe \$80 is a good number to use.

2.1.1.2 Warn End Of Session in MINUTES

This field represents when the tabs will changed color to alert you that a particular instrument is nearing it's end of session time. The 30 in Figure 2-2 above lets the user know that a position might have to be exited early than intended if the alert does not complete soon unless you wish to hold a position through the session close. The tab on the alert will show up in pink to notify you that this alert should probably be skipped. It is still possible to trade an alert during this time but caution is warranted.



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2.1.1.3 Pointy V

A pointy V is one of the pivotal issues of this trading style. The V should be sharp, not flat or rounded. This should always be checked.

2.1.1.4 Prohibit Too Far Towards Target

This prevents an alert from being displayed to the trader if the current trade price is close to the target, i.e. the alert is almost over already.

We believe that a trader should not be shown alerts when "better" alerts may be available to trade. If the RR is not good because the trade price would be close to the target price, then it isn't worth looking at the alert.

2.1.1.5 Prohibit Too Far Towards Stop

This prevents an alert from being displayed to the trader if the current trade price is close to the stop, i.e. the alert is almost over already and went the wrong direction.

We believe that a trader should not be shown an alert that has gone more than 75% against the direction of the trade. While this does provide an excellent RR and could be traded with a stop to enter the trade, beginning users should not attempt these trades unless using a simulated account.

2.1.1.6 Prohibit PS Too Close To Apex

This prevents an alert from being display to the trader if the apex of the V and the end of the pre-straight (PS) are very close to one another in price.

Our testing has shown that these alerts are not nearly as accurate as alerts that have the PS price end nearer to the price start of the left straight (LS).

2.1.1.7 Only Straight Vs

This setting when unchecked allows the V to be a little more sloppy, i.e. more internal movement than when checked. We always recommend checking the Only Straight Vs check box.

2.1.1.8 Use Aggressive Alerts

This setting when checked will produce alerts faster than when unchecked. We recommend checking it.

2.1.1.9 Include VBars

This setting will create VBar style charts which are a hybrid Renko type bar. If checked, it will introduce 3, 4, 5 and 6 tick bar charts into the system and these will be checked for alerts as well. Because it is a Renko style bar, one bar may take a long time to form and this means that any sideways data is "hidden" from the chart and the trader. However, this bar type can produce a lot of profit (or losses) and should only be considered for advanced users.



2.1.1.10 Apply Rules

This check box applies to the two fields below it. When checked, an alert will not be generated unless the two conditions below it are met. Said another way, this provides a mechanism for restricting the alerts that are displayed to the user based on the two sections below.

2.1.1.10.1 Pre-Straight %

Our testing shows very good profitability when the PS is 80% or more when comparing it to the LS. We set this slightly below 80% as a fudge factor and this will verify that only alerts > 78% are displayed. This value can also be made very small to see alerts that do not meet the 78% criteria. This restriction can be ignored all together by un-checking the Apply Rules checkbox.

2.1.1.10.2 Max Against %

Our testing shows good results when the retracement after an alert is generated stays at or below the 75% retracement level. If the current price has retraced more than 75%, then the alert will not be displayed to the user. This restriction can be ignored all together by un-checking the Apply Rules checkbox.

2.1.2 Trading

This controls what buttons are shown on the software and how the accounts drop down list box is displayed when selecting accounts.

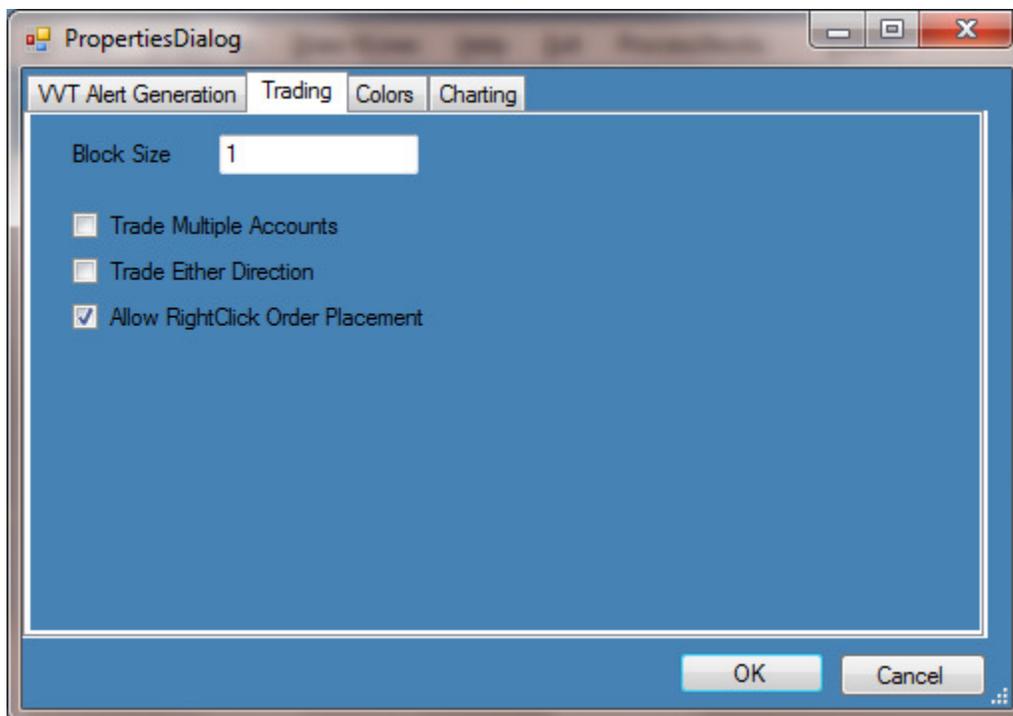


Figure 2-3 Properties - Trading



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2.1.2.1 Block Size

This should normally be set to 1.

Block size is utilized by people managing accounts with multiple clients. Block size would be used when a brokerage requires each account be traded with a specific number of contracts. So, if one had 11 clients all with 100,000 and a trade was made (and it was not a hedge fund), then 11 contracts would need to be traded. The user can not trade 9 or 10 or 12 contracts, only 11 or 22 or 33, etc.

2.1.2.2 Trade Multiple Accounts

This should normally **not** be checked.

Most users will not have multiple accounts to trade, but I do have one user that trades for multiple clients. This allows the user to create a group of accounts in which trades can be made simultaneously. This should normally be left unchecked.

2.1.2.3 Trade Either Direction

For beginning users (and probably advanced as well), this option should **not** be checked.

When checked, buttons for both trade directions are shown to the user. A short alert setup will also include a button to trade the alert on the long side and vice versa.

2.1.2.4 Allow RightClick Order Placement

This option allows the use of buy/sell limit and stop orders when the user right clicks the mouse on the chart being displayed. Limit orders include a stop and stop orders include a limit, so using this method means you **MUST** get filled at the price you want or not get filled at all. So once in a while on the EMD, for instance, you will see the price jump right over the order and you will not get filled. This is the way I trade all the time, because I **want my price** or I don't want it at all especially on the EMD.



2.1.3 Colors

This is fairly obvious, but affects the way the charts, lines, prices, etc. are displayed. I think a user can figure this one out pretty easily. The only real gotcha is that if the background is black, the price text should not be and vice versa or you will not see the prices.

When you press on one of the buttons, it will pop up a dialog box allowing the user to change the color.

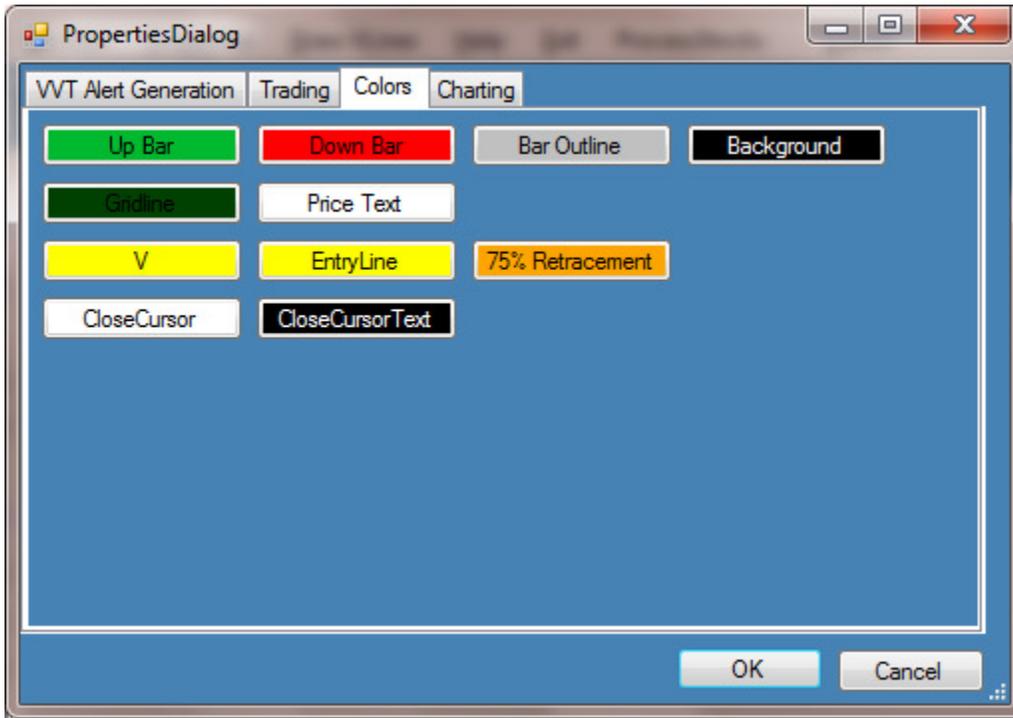


Figure 2-4 Properties - User Configurable Colors



2.1.4 Charting

The charting properties define other properties of the chart.

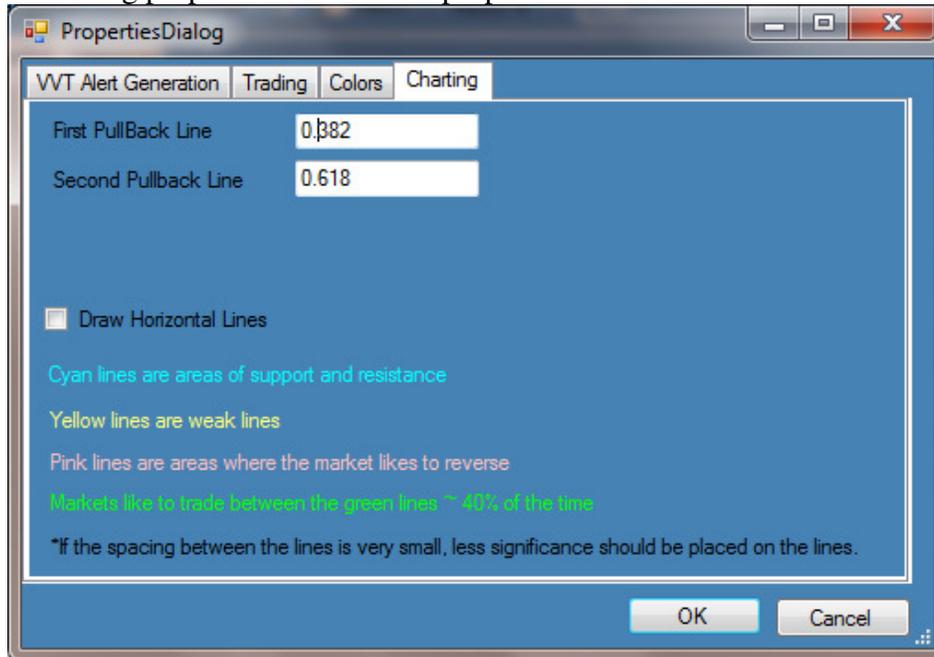


Figure 2-5 Properties - Charting Options

2.1.4.1 First PullBack Line

A line is drawn at this level as calculated from the end of the RS to the alert APEX price. An arrow is also drawn on the chart showing the calculated value rounded to the nearest true trade price.

2.1.4.2 Second PullBack Line

A line is drawn at this level as calculated from the end of the TS to the alert APEX price. An arrow is also drawn on the chart showing the calculated value rounded to the nearest true trade price.

2.1.4.3 Draw Horizontal Lines

This will draw horizontal lines on the chart indicating the placement of Murrey Math lines with colors and numbers. This option can also be changed on the main menu bar by clicking Draw V Lines or Don't Draw V Lines. If there are too many lines and the chart is cluttered, then you can turn them off quickly on the menu bar.

2.2 Modify Symbol Chart Sizes

VisualVTrader processes multiple charts when data is received from NinjaTrader™ via the VisualVIPIC server.



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It processes both tick change bars and minute bars and, if configured, VBar style charts.

In the figure below, you see symbols, i.e. 6A, 6B, etc. in the first column. These symbols are automatically inserted as data comes in from our server. If you were to open this dialog and had never sent any data, the only line would be the line indicating a Symbol or "default". This is the default setting for any incoming data. Each symbol coming in would default to processing a 5 tick PCB, a 10 tick PCB, a 20 tick PCB and a 40 tick PCB as well as a 2 minute, 5 minute, 10 minute and 20 minute charts.

After the symbol has been added, the user can select a single symbol to modify if required or change all symbols as described in the sections which follow.

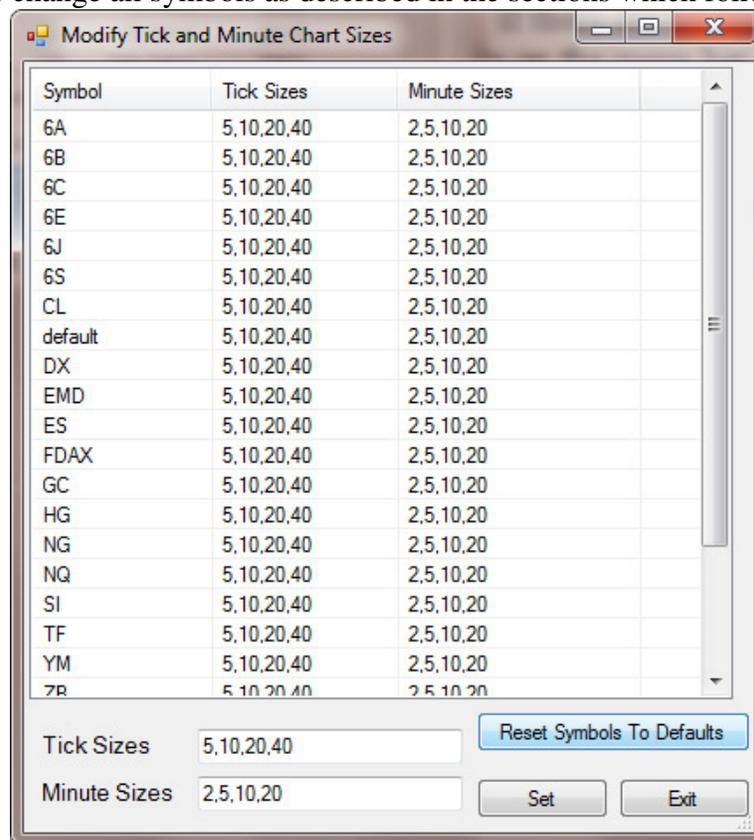


Figure 2-6 Tick and Minute Chart Size Configuration

2.2.1 Tick Data

When you see a tick chart on VisualVTrader you will probably notice that it does not appear to be exactly the same as the data you might see on the same size NinjaTrader™ tick chart. We use PC, or Price Change, tick charts this allows slightly more time for processing the data but does not decrease the quality of information obtained. We have included a bar type for you in NinjaTrader™ that will display bars as VisualVTrader processes them for your convenience.



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NOTE: A chart in VisualVTrader might appear different than a chart in NinjaTrader™ because they may be starting on a different tick, i.e. the bar starts when the first tick is obtained and continues to progress until a specific number of price changes occur. The bars will be "close", but not always identical. The shape of the chart should be the same, however.

2.2.2 Modifying All Symbols

The steps to modify all symbols are shown below:

- A. Select the row in the list with a symbol labeled "default".
- B. The user should modify the tick size and/or minute size that requires change.
Note: All values are separated with a comma.
- C. The user should press the "Set" button.
- D. The user should press the "Reset Symbols to Defaults" button.

2.2.3 Modifying a Single Symbol

The steps to modify a single symbol are shown below:

- A. Select the row in the list with a symbol you wish to modify.
- B. The user should modify the tick size and/or minute size that requires change.
Note: All values are separated with a comma.
- C. The user should press the "Set" button.

3 NinjaTrader™ Configuration for VisualVTrader

3.1 First Time Use

3.1.1 AT Interface

The very first thing to do in NinjaTrader™ is to enable the AT interface which allows VisualVTrader to send/ receive trade information to/from NinjaTrader™.

This is done simply by open NinjaTrader™ and from the "File" menu item, clicking the AT Interface. At this point, it should be enabled.

3.1.2 Account Creation

The second thing a new installer should do is create a new simulation account called Visual Trader. Later on, we will create strategies using this account to delivering data to the VisualVTrader application.

The following link explains the procedure to create a new simulation account.

http://www.ninjatrader.com/support/helpGuides/nt7/index.html?multiple_simulation_accounts.htm

This should be read very carefully, because if you do not have a "live" license, you can not create a new account and are limited to one (1) simulation account which is named Sim101.



3.2 Configuring Symbols

Instead of re-writing all of the information contained within NinjaTrader™ already, I will point you to the NinjaTrader™ documentation which is available currently at:

http://www.ninjatrader.com/support/helpGuides/nt7/index.html?instrument_lists.htm

You could create an instrument list named VVT or VisualVTrader and add symbols to this list that may be different than the symbols you trade on a day to day basis. I typically just use the default list because I trade in NinjaTrader™ what I trade with VisualVTrader.

3.3 Creating Strategies

VisualVTrader receives data from a strategy created in the NinjaTrader™ platform. The strategy is not used for trading and no orders will be placed from the strategy into any account from this strategy. It is simply a data sending tool within NinjaTrader™ for VisualVTrader.

Note: When selecting an account to trade from the VisualVTrader application, do not select the Visual Trader account. If you leave the account blank, it will automatically trade in the Sim101 account. The reason we use this account for the strategy, is that we NEVER trade in this account from the VisualVTrader application. NinjaTrader™ will stop a strategy if a position is closed with "Close Position" or "Flatten Everything" from the Positions Tab and the account containing the position is in is the same as a account for a strategy. If the strategy is stopped, this will cause data to cease to flow from NinjaTrader™ to VisualVTrader. It can, however, be restarted but it is a pain to remember this.

The following link will familiarize you with NinjaTrader™ tips on creating a strategy but, we will do something just a little different and create all of the strategies at one time to make it painless for you to accomplish.

http://www.ninjatrader.com/support/helpGuides/nt7/index.html?running_a_ninjascript_strateg2.htm

Steps:

1. Follow the first 3 steps as NinjaTrader™ suggests and ignore the rest.
2. From the drop down list select the VisualVTrader strategy as shown below:

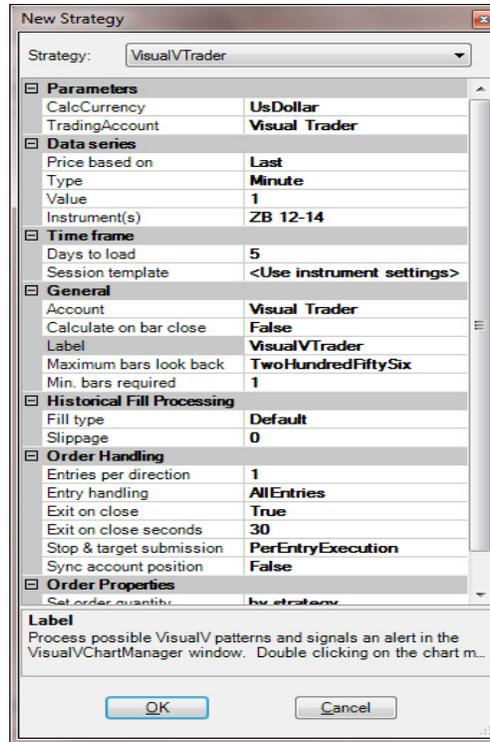


Figure 3-1 Creating a Strategy

3. Now, we will add all of the instruments at one time in our list that we created in section 3.2. Where it says "Instruments(s)", we want to click on the right hand side where in this case it says ZB 12-14. When we do this, an down triangle appears to the right. Click that arrow and the following is displayed.

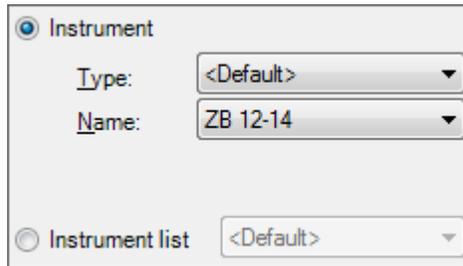


Figure 3-2 Instrument Selection

Now, all we have to do is click instrument list as shown below and select the proper list for all of the strategies to be populated with our symbols as shown below:

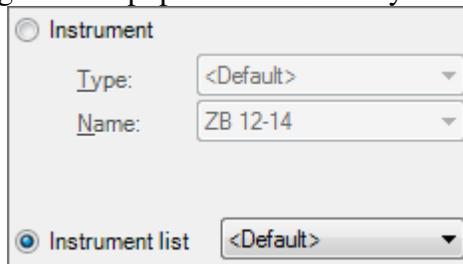


Figure 3-3 Selecting an Instrument List



We typically use the <Default> list, and if you called it something else, then press near the down triangle that and it will show you all of the instrument lists you have created. Select the proper one and you are all set. Click back on the "New Strategy" window and the box will disappear.

4. Change the account to be Visual Trader under the "General" section of this box (this is displayed properly in the figure in step 2 above). If you are using a free version of NinjaTrader™ then you can only use Sim101.
5. Hit the okay button and it will create strategies for you for every instrument in your list. The strategies tab should look something like the following:

Strategy	Instrument	Data Series	Parameters	Position	Avg Price	Unrealized	Realized	Account	Connection	Enable
VisualVTrader	ZW 12-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	ZS 11-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	ZN 12-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	ZC 12-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	ZB 12-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	YM 12-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	TF 12-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	NG 10-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	GC 12-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	ES 12-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	EMD 12-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	CL 10-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	6S 12-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	6J 12-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	6E 12-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	6C 12-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	6B 12-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>
VisualVTrader	6A 12-14	1 Min	UsDollarVi	-	0	\$0.00	\$0.00	Visual Trader	AMP	<input type="checkbox"/>

Figure 3-4 Strategies Tab in NinjaTrader Control Center

6. Make sure you are connected to your brokerage. If you are **not** connected you can not enable any strategy.
7. See section 3.4.

The first time you enable a strategy it takes a bit of time to load if you do not store data on your computer or you have never loaded a particular instrument, but subsequent loading should be much faster.

3.4 After Starting Strategies

Click on one strategy and then hit the control and the 'a' key together thus selecting all of the strategies, then right click (which brings up a box for you to create new strategies, enable and disable, etc.) and left click enable. The strategies should start up properly if you rebooted your machine. Otherwise a message may appear telling you that the server is not started. You may start it manually from the start menu by finding "VisualVTrader" in the "All programs" section and then left clicking "StartVisualVServer".



3.5 Typical Daily Routine

1. Start up NinjaTrader™ and connect to your brokerage.
2. Start up the strategies that you created in previous sections.
3. Start up the VisualVTrader application.

3.5.1 Trading Strategy

1. Wait for an alert to appear.
2. Apply the visual rules described in the rules document to determine if the setup is valid.
3. If the alert passes the rules, then wait for an entry signal.
4. If current or subsequent movement creates a valid entry, then enter the trade long or short as appropriate.
5. The stop loss is automatically placed for you one tick beyond the apex of the V.
6. The target is automatically placed for you as specified in your selections on the VisualVTrader interface.

3.5.2 Choose Only The Best Alerts

While we have attempted to only show you great alerts, a computer can only operate so quickly and can not "see" as the human eye sees. This means that alerts must still be verified using the visual rules to determine if the alert is perfect enough to trade.

The brain and eyes are the fastest computer ever created. There is nothing on the planet capable of doing what your brain can do. So, scan the alert, scrutinize it to see if it passes all of the rules before trading it.

We like to say, BE excited, but don't GET excited. Just because an alert is generated is not reason to trade it. Be selective and trade only the best alerts. Trading is a two way street, you can make money and you can lose money. For every winning trade you make, someone else lost money and vice versa. Trading the best alerts will help keep you on the right side of that equation.

When you can look at an alert and say, "That is a perfect setup," then prepare to trade it. If you can't say it is a perfect setup then just close out the alert there will be another one along shortly.

3.5.3 VisualVTrader Charts

After an alert is generated, VisualVTrader will try to determine the best display length for the chart. The user can adjust the amount of data displayed by using the mouse wheel with mouse inside the "chart". It can also be adjusted by holding the control key down and pressing the left or right arrow key simultaneously.

Once this is set by either VisualVTrader or the user, the position left most bar is kept in that position and bars are added on the right side of the chart. So the bars will get smaller as more data comes into the chart and this is required or the alert might "walk" off the left edge of the chart.



3.5.4 Using NinjaTrader™ Confirmation

While every effort has been made to insure entries, targets and stops are placed properly within NinjaTrader™, the NinjaTrader™ console should be utilized to confirm entries, targets and stops. The tabs on the console can quickly confirm these are entered correctly. The positions tab on the console will confirm the instrument, number of contracts and price. The orders tab can be utilized to confirm target and stop orders are placed automatically and with the correct quantity and prices. I typically set up the order tab on the console to only display active orders as this is what each of us should be interested in. This can be done by right clicking on the tab called Orders then place the mouse in the area where orders are normally seen and right click the mouse. A new box is shown and if you left click "Filter Only Active Orders", you can quickly see active orders in the market. There are other ways of seeing the active orders at the top, but I believe this to be the most effective and easiest way to use the orders tab within NinjaTrader™.

4 More Information

4.1 More about Alert Generation and Scanning for Alerts

Alerts are generated at the close of a bar. Once all of the data is received, it is scanned for an alert. Each new bar close causes a new scan.

As alerts are scanned, statistics are kept to determine if scanning was aborted due to a new bar coming in before the previous scan was complete. When the abort percentage gets to a certain level, the scan depth is decreased automatically to enable processing to complete. As that abort level decreases the scan depth is increased until some kind of reasonable level is achieved.

We are looking for a nine wave pattern within VisualVTrader. However, the most important of these are the PS, LS, and RS. These three waves must be straight or have 5 waves within them and the LS and RS should be fairly close to the same length as shown in the rules document.

4.2 Moving Targets and Stops from the NinjaTrader™ Interface

You can also manipulate the targets and stops in NinjaTrader™ directly. If this is done, however, it is not reflected properly in VisualVTrader. This is not an issue except that the target and stop controls will not be moved to the proper place. They will be removed from a VisualVTrader chart when the trade is complete, however.

4.3 Known Issues

4.3.1 AT Interface

The AT interface is only available for users with a subscription to NinjaTrader™. **Please get a subscription with NinjaTrader™** or from the brokerage so VisualVTrader can be utilized.



4.3.2 Demo Accounts

Demo and Simulation accounts are not "live" accounts and things are a little bit different when trading with a demo account. With a live account, order cancellation is basically immediate, but with demo accounts, a trade has to occur before an order can be cancelled. **This is not an issue when trading a live account.**

5 More Stuff

5.1 Our Goal

Our primary goal is to make you a profitable trader in the markets and timeframes in which we've had success. It is not to help you make money necessarily in your own favorite markets and time frames, we just want you to be successful.

If you are not achieving your goals or having satisfactory returns with your own trading system then try this one. Don't change it, modify it, add to it or subtract from it. Don't mess with it and still expect it to perform.

5.2 Quantity of Alerts

Some days you get many alerts, some days you will not. We believe that quality should be emphasized over quantity. This can be a sore point for traders that like a lot of action.

If you have 20 alerts up and one of the twenty is a perfect setup and comes in last but you are spending time looking at other 19 then you could miss the perfect one that goes straight to the target without pausing. If you have 3 alerts up then finding that perfect setup is much easier. Some days alerts are in short supply and we believe is a good thing because the markets are not moving in a way that would produce successful trades. Be happy that you will not enter a trade that loses you money when the markets are not moving.

Be happy when you've increased your account 2% in a single day and just stop trading before you do something you will regret, namely giving it all back and then some.

5.3 Baggage

If you are a successful trader, then by all means keep doing exactly what you are doing. There is no need to look further (or read further) and we congratulate you on your success.

If you are not a successful trader then you need to look for a totally different method. We believe we have found that method and can help you become a successful trader. However, we do not believe in combining old and new methods. Don't strangle hold this system with some constraint of your old system. It did not work anyway.



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We do not claim to have the "best" system out there, but we have a winning system when implemented exactly as detailed in the rules document and it will serve you very well.

There are other platforms and other trading systems out there. You could trade other markets and time frames, however, this is the one method we use with outstanding success. If you want to follow a winning system; then learn it, apply it, and don't change it.

It is possible to know too much. Beginning traders often have more success than traders that have been around for a while and lost money because they have no BAGGAGE. Beginning traders see something that works and that is what they use. They don't start applying a plethora of indicators or methods or news or anything special, they just trade what they see and know. Wouldn't it be nice to have something that finds trades for you, you look at it and say, "That is a perfect setup". If you can't say it is a perfect setup then just close out the alert there will be another one along shortly.

As a side note, I remember why I got into this trading thing in the first place. I picked a mutual fund and it went up 100% in less than a year 20 something years ago. I thought, this is so easy and I can make a fortune. The more I learned, the harder it was. Finally, I learned another method and it was time consuming but very profitable and didn't require any indicators at all to use. VisualVTrader is based on that method and we will come out with another product to fully implement every feature of the original method and make it available.

We could define baggage to mean preconceived beliefs about the value of technical indicators or news.

Baggage will cost you money.

Baggage will prevent you from applying this method without modification.

Leave your baggage behind and you should have outstanding success.

It is very difficult for someone that has been trading for years to let go of their cherished beliefs and give this method a fair shot, unchanged, unmodified, exactly as documented.

This method works. Don't try to fix it or improve it. Just use it and you will be amazed at it's power to deliver profitable trade after profitable trade.



5.4 Account Size

We would recommend an account of at least \$10,000 when you start trading a live account. \$20,000 would be better so that trades with a risk per contract of \$400 or less can be taken and still not risk more than 2% of your account.

To start out however, please, even after simulated trading, trade a single contract and get the feel for live trading. Small accounts may only be able to trade a single contract anyway, but we'd suggest it for even larger accounts when first trading live.

5.5 Managing Risk

No matter how good a trading system is, improper money management will lead to failure. Improper attitude may also lead to failure, so be alert and in tip top shape physically when you trade.

If the trading account is \$100,000, the maximum risk we are willing to take on any single trade is \$2,000 or 2%. That is, if the trade goes against us and stops out at our Stop Loss, the Position Size is such that we would lose no more than \$2,000, even after brokerage and other costs are considered.

Of course, there is no such thing as absolute risk mitigation, for a market may gap beyond the exit stop, but we will try limit our risk on each trade. We also limit our risk by limiting the number of trades we are willing to take concurrently. We believe that no one should have more than two simultaneous trades in the market at the same time and only having one is better.

Finally, we limit our risk by not trading highly correlated (or highly inversely correlated) markets at the same time. For example, it is usually not a good idea to trade both the YM and TF both long the same time in the same direction because they are highly correlated. A good example of highly inversely correlated markets is Gold and the FDAX so holding one long and one short at the same time is not a good idea.

We may even reduce that 2% to a smaller value like 1% or .5% if we are having a tough time trading for some reason. Sometimes the markets do not cooperate with us and we just need to take a break.

5.6 Investment

VisualVTrader: Currently the cash price \$3495 but we will also accept 2 ounce American Eagle gold coins obtained via our gold dealer. Using gold could be a substantial savings to you but is also slightly more effort.

NinjaTraderTM: Varies by subscription. They have several options but I'd suggest just buying the lifetime license which as of this writing is \$995. You can go to their home page at <http://www.ninjatrader.com/purchase.php>.



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Training: None. We will be hosting webinars for our traders and potential customers.

Data Subscription: None other than what your brokerage charges you for real time data feeds which is typically nothing.

6 Finally

Just remember, if you can not trade a simulation account higher, then you can not trade a live account higher.

It will take some time to learn the ins and outs of this software and of this paradigm. Trade a simulation account before even thinking about trading a live account. Trade for a least a month (maybe longer) where every week has a positive outcome. Thus, you can increase your funds every week and be confident in your ability to pick winning setups. Only when you can trade successfully for a period of time in simulation should you even think about trading a live account.

Once you do start trading a live account and have a bad week go back and look at the images of the trades and review where you went wrong. The PS was not long enough or the LS wasn't straight or whatever the case may be. Practice trading in simulation and get your head on straight again. Don't let your ego get in the way, play it smart.