

PipBoxer V4.0.0

User's Guide

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Introduction

Forex is the largest and the most liquid market in the world. With an average daily trade volume of about \$3.1 trillion no other market can beat it. Forex market which is an Over-The-Counter (OTC) market is open 24 hours a day for 5 days a week.

Entering the forex market is very easy. You can open an account with less than \$300 and enjoy the high leverage of 50:1 or even more. For many people this means making big money in a short period of time. The temptation is high but unfortunately the reality is different. The majority of inexperienced traders lose in this market. Many of them even blow out their accounts completely in a very short period of time. It is not easy to constantly make money in forex.

To be a successful trader you need to be a disciplined, knowledgeable person. You need to learn several skills including fundamental and technical analysis methods, and risk and money management techniques. The psychology of trade also plays a key role in your success as a trader.

Traders can be categorized as mechanical and discretionary. A mechanical trader sets up some strict rules for his/her trading and sticks with them all the time. A discretionary trader considers his/her power of judgment at the time of trading. I am personally not a great fan of discretionary trading. In a mechanical approach you can estimate the likelihood of your success and based on that likelihood you can make decisions. A discretionary trader has no clear way to evaluate his/her likelihood of success. I believe a discretionary trader could be more successful than a mechanical trader in short term trading but in the long run it is the mechanical trader who wins the most. There might be some exceptions but in general mechanical trading is the right way to go.

The ultimate mechanical trader is the computer. Even a highly-disciplined manual mechanical trader is not 100% free from discretion. If you leave your trades to your computer it never breaches the rules you have set for it.

A computer is a machine and it cannot setup trading rules. It is you “the trader” who needs to define these rules for the computer to make your computerized trading experience a successful one. I believe that PipBoxer is one of those successful set of rules. I will explain this in more detail throughout this guideline.

There are several tools available to trade forex. Probably one of the most successful ones is MetaTrader 4 (MT4). This software application enables the trader to analyze and enter the market at the same time. Unlike traditional trading platforms you do not need a chart provider to analyze the market. MT4 provides you with the chart and almost every necessary tool to analyze the chart.

Another nice feature of MT4 is the ability to install and run customized tools. These tools are in the form of indicators, scripts, and Expert Advisors. Since PipBoxer is an Expert Advisor (EA) I will explain the use of EAs and how to attach them to a chart in the next section. If you are willing to know more about Forex, MetaTrader, and MetaTrader programs visit my educational website www.forexbrace.com.

Attaching an EA to a Chart

One of the reasons that MetaTrader 4 (MT4) is a highly regarded trading platform is its capability to automatically run trading orders. The tool that traders use to conduct such automated trades is called an EA (Expert Advisor).

An EA is a software program that a trader can use within the MT4 terminal. A trader may use an EA for different reasons, including but not limited to analyzing the market and creating trading signals, conducting fully automated trades, defining complex criteria for running a trade, and so on.

In order to be able to use an EA you must attach it to a chart. If you attach an EA to a chart it uses the chart tick movements to analyze the market and do its job. For example if you attach an EA to the USDJPY chart the EA runs every time the price of USDJPY moves. Let's see how to attach, compile, and use EAs.

The Location of EAs on Your Computer

You need to place your EAs in the “\experts” folder. If for example you have installed MetaTrader in a folder called “My Trading Station” under drive C: the address to this folder could be “C:\Program Files\My Trading Station\experts\”.

There are some folders under the “experts” folder that some EAs use. For example PipBoxer V4 uses the following sub-folders:

..\experts\libraries	save libraries: PBEM400.ex4, PBES400.ex4, PBLM400.ex4, PBMM400.ex4, PBQT400.ex4, PBRM400.ex4, PBRU400.ex4, PBSM400.ex4, PBTA400.ex4
..\experts\files	Save files: pb4activator.act, pb4installaer.dat, activation.act

* The PipBoxer installation file automatically places all these files in their proper folders. This guide is for maintenance and troubleshooting purposes only.



The PipBoxer Installer automatically places these files in proper folders. The guideline is to help you in case you need to install files manually.

EA Formats

EAs are available in two different formats: the raw format (or source code) and the compiled format (or executable version). The file extension for EA source code is *.mq4 (e.g. PipBoxer_4.0.0_EURUSD.mq4) and the file extension of EA compiled programs is *.ex4 (e.g. PipBoxer_3.0.0_EURUSD.ex4). The default location for both formats is the “\experts” folder.

You cannot use the source code to run the EA. You must compile the source code first to make it an executable file. On the other hand the compiled (*.ex4) format is ready to use. You don't need the source code to run the compiled format. So eventually all you need is the compiled file.



You always receive PipBoxer files in compiled format so you do not need to compile EAs.

The following section is just for your information. You do not need to compile PipBoxer EAs.

Compiling an EA

If you place an error-free source code in the “\experts” folder and then start MT4 it automatically compiles the EA and creates the *.ex4 file. You may also compile the EA yourself as follows.

When you install your MT4 trading terminal you also install an application called MetaEditor. The installation is done automatically. You can use MetaEditor to develop EAs. You also use MetaEditor to compile EAs. So if you receive the source code of an EA (i.e. the *.mq4 file) use the following steps to compile it. If you already have the compiled file in hand skip this procedure.

1. From the MT4 terminal run MetaEditor. You can find the MetaEditor icon on the Standard toolbar of the MT4 terminal (Figure 1).

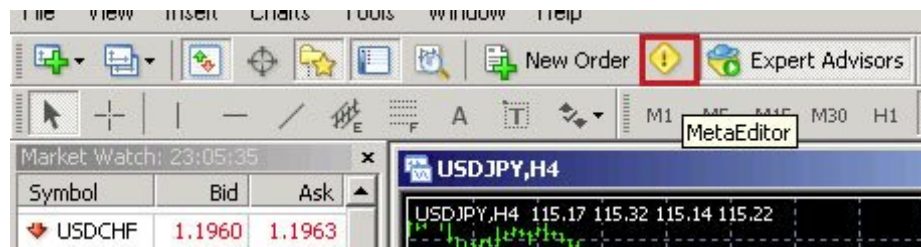


Figure 1

2. In the MetaEditor window open the EA source code. You can either use the File>Open to locate and open the file or double-click the file name in the “Navigator” window. This window is located on the right side of the MetaEditor window by default.
3. On the MetaEditor toolbar click the “Compile” button (Figure 2).



Figure 2

4. If the code contains no errors the application creates the compiled (*.ex4) file and you are ready to use the EA. The error messages appear on a window called “Toolbox” embedded in the MetaEditor environment. If you receive a message similar to the one shown in Figure 3 you are good to go. If not, you either need to fix the error yourself or contact someone who is an MQL developer.

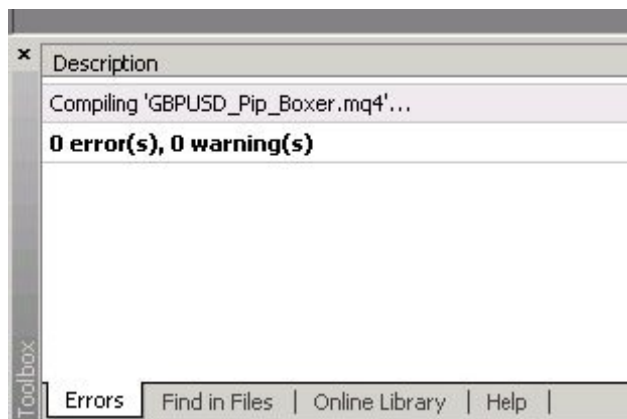


Figure 3

5. Close MetaEditor.

Now you are ready to use the EA.

Attaching the EA

To attach an EA to a chart use the following steps.

1. In the MT4 terminal open the desired chart.
2. Select the proper time frame by clicking one of the icons on Periodicity toolbar or Chart > Periodicity menu.



The only timeframe that you can use for PipBoxer is M15 (i.e. 15 minute charts).

3. Make sure that the “Navigator” window is open. The default location of this window is below the “Market Watch” window on the left side of the MT4 terminal (Figure 4). If the “Navigator” window is not open either press Ctrl+N or from the View menu select Navigation.

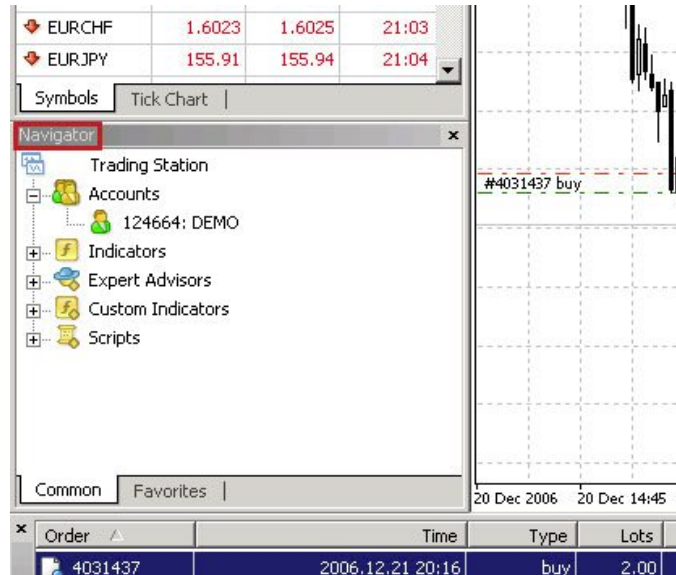


Figure 4

4. In the “Navigator” window click the “+” sign next to “Expert Advisors”. The list of current EAs appear in the window.
5. From the list either drag-and-drop the EA to the chart or double-click it. A dialog box appears.
6. On the “Common” tab select the “Allow live trading” option (Figure 5). If you do not select this option the EA does not enter trades automatically.

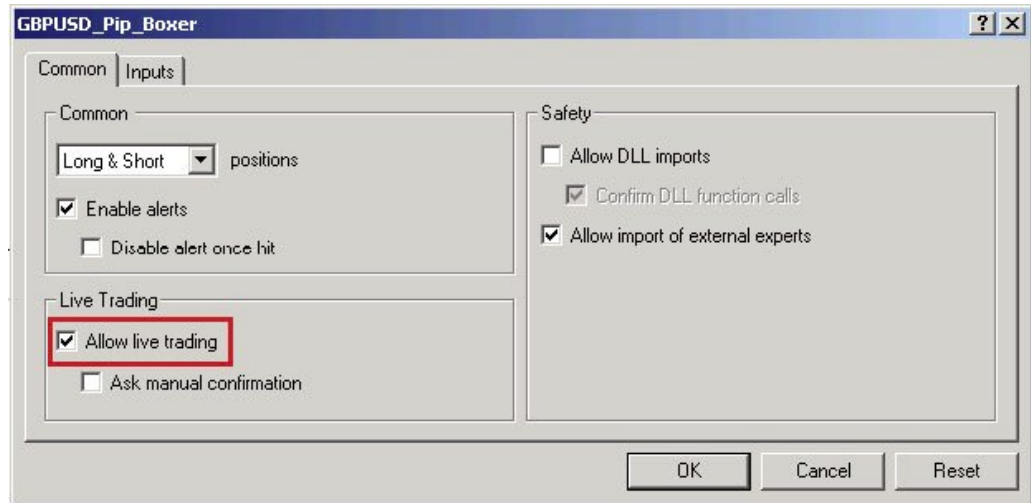


Figure 5

- On the same dialog box select the “Inputs” tab. The tab is located at the top of the dialog box. In this tab you can make any changes to external variables (Figure 6).

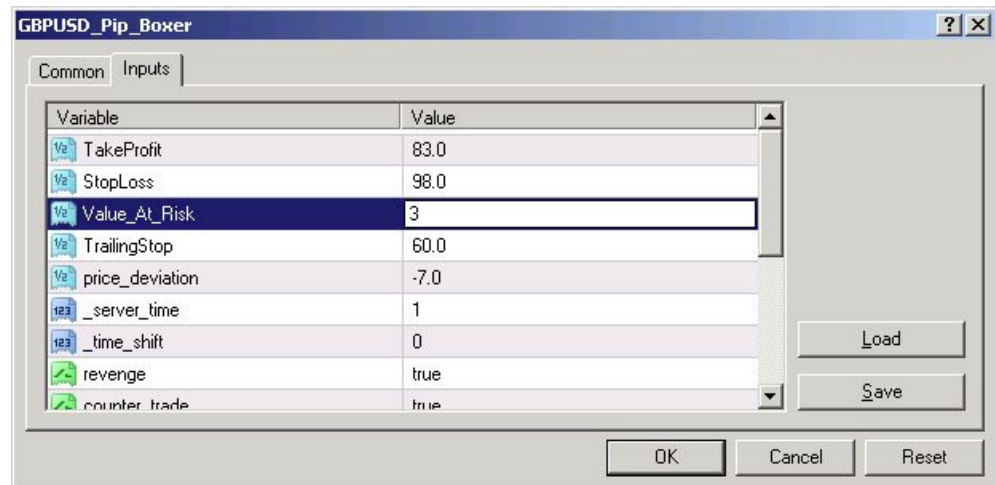


Figure 6

- Click OK. A smiley (happy face) appears on the upper right corner of the chart indicating that the EA is running (Figure 7).

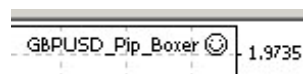


Figure 7



You may see an “x” sign instead of the happy face. This means that all of the EAs are deactivated. To activate EAs from the Standard toolbar press the “Expert Advisors” icon (Figure 8).

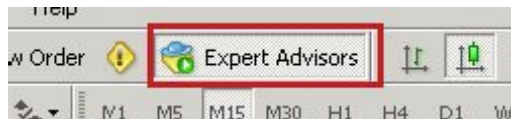


Figure 8

If instead of the happy face you see a sad face it means that this EA is not allowed to trade live. To enable live trading:

1. Press F7 to see the EA properties dialog box.
2. Select the “Common” tab.
3. Select “Allow live trading” (Figure 5).

Changing the Properties of an Attached EA

To change the properties of an EA that is attached to a chart use the following steps:

1. In the MT4 terminal open the chart.
2. Press F7 to see the EA properties dialog box. Alternatively, you may right click on the smiley located on the upper right side corner of the chart and select Properties from the pup-up menu.
3. To change the values assigned to external variables, select the “Inputs” tab and make the desired changes or click Reset to restore the original settings of the EA.
4. To change other options select the “Common” tab and select or deselect desired options.
5. Click OK.



Some brokers disable EAs by default. You need to contact your broker and ask them to activate EAs for your account. They usually ask you to submit a form.

The PipBoxer Strategy

PipBoxer V4 is a modified breakout system. The strategy consists of five major steps to enter the trades correctly, manage them in the best way possible and exit them safely. Here are those strategies:

1. Recognizing the box size.
2. Filtering out the false breakouts.
3. Taking risk management into account.
4. Entering and exiting trades.
5. Adopting money management techniques.

Figure 9 helps you to have a better understanding of how this system works.

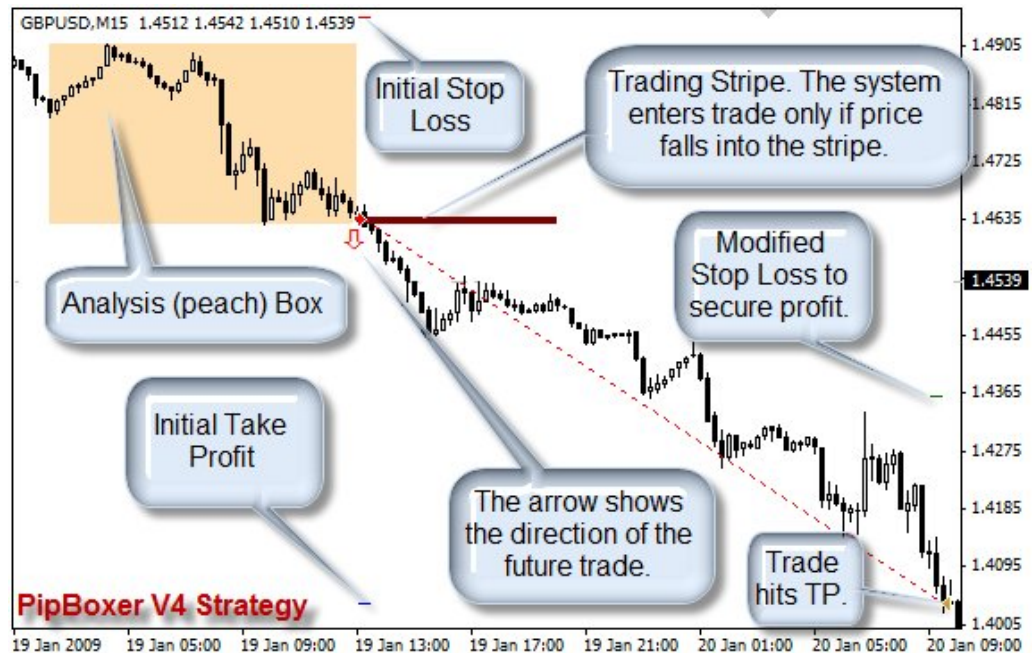


Figure 9

Recognizing the Box Size

PipBoxer V4 constantly monitors the market to find trade opportunities. It uses a sophisticated technology to locate those price levels or rather boxes that could possibly result in profitable breakouts.

If you get disconnected from Internet or your broker's server, or if you restart your computer and/or MT4 PipBoxer V4 resumes the analysis and if a trade opportunity comes along it would enter the trade. It, however, enters a trade only if the price enters the trading stripes after the connection is resumed.

The difference between the highest high and the lowest low is called "box height". This variable is very important. PipBoxer uses the "box height" to calculate TP (take profit) and SL (stop loss) values.

The "box height" also affects the calculation of trading stripes. Trading stripes (maroon stripe in figure 9) are price ranges that PipBoxer initiates a trade within them. There are currently three scenarios possible.

- The peach box is present but there is no arrow on it: No trades would take place. This situation rarely happens.
- A green arrow appears on the peach box: The system will enter a long trade if the Ask price falls within the trading stripe.

- A red arrow appears below the peach box: The system will enter a short trade if the Bid price falls within the trading stripe.

There are rare cases that you may see trading stripes without seeing the box. Such situations usually happen at the beginning of the market open. We have done our best to eliminate such situations but to be on the safe side we suggest that you open your trading platform about one hour or more after the market open.

Filtering Out the False Breakouts

PipBoxer V4 uses a price action approach to filter out false breakouts. This helps the system to make its decisions almost regardless of the reaction of the market to the news. I found out that this combination works the best. Breakout depends on the news but the price action calculation is based on market movement prior to the news.

One other benefit is that you can have a trading signal in place long before entering a trade. The “PipBoxer_Signal” EA is an expert advisor that generates trading signals with the help of PipBoxer strategy for those who do not use MetaTrader or prefer to trade manually. Log on to http://www.pipboxer.com/signal_reseller.php for more information.

The red and green arrows appear on the chart based on price action calculations. Note PipBoxer V4 unlike previous versions of PipBoxer does not use an indicator to filter out false breakouts.

Built-in Visual Aids

As I mentioned in preceding paragraphs PipBoxer V4 draws rectangles, arrows, and trading stripes on the chart to give you a better feeling of how the system works. The rectangles represent the analysis boxes, the arrows show the potential direction of the trade, and the stripes show where a trade might take place. These visual aids help you to have a better understanding of trading opportunities in the near future. They also give you the ability to disable trading if you believe that the generated signal is not right.

Managing the Visibility of Visual Aids

You can control the visibility of visual aids with the help of an external variable called `_draw_pb_shapes`. If this variable is “true” then PipBoxer draws shapes (the default value). You may change it to “false” to disable this feature.

PipBoxer V4 uses a special naming system to specify the name of each shape. The time is an long integer number.

- `PB3box(symbol)(time)`: The peach box
- `PB3arr(symbol)(time)`: The arrow
- `PB3str(symbol)(time)`: The stripe

The PipBoxer Indicator

PipBoxer indicator is obsolete in PipBoxer V4. We do not use an indicator in PipBoxer V4.

Taking Risk Management into Account

According to Investopedia.com Risk Management is “the process of identification, analysis and either acceptance or mitigation of uncertainty in investment decision-making. Essentially, risk management occurs anytime an investor or fund manager analyzes and attempts to quantify the potential for losses in an investment and then takes the appropriate action (or inaction) given their investment objectives and risk tolerance.”

In other words a complete trading system is the one that gives you the opportunity to mitigate your risk while you have the chance to gain profit. I believe that PipBoxer is such a system. It offers several features to increase your chance to make more money and lose less.

Value_At_Risk (VAR)

Every PipBoxer V4 EA gives you the opportunity to trade the correct lot size according to “Value-At-Risk”. VAR (or value-at-risk) is simply the maximum percentage of your account balance that you are willing to lose in a single trade. It is very important to take VAR into account. It could help to reduce your risk and even increase the profitability of your system.

The precision of the VAR calculations highly depends on the ratio of the minimum lot size that your broker allows you to trade to your account balance. If your account balance is low or the minimum lot size is high the actual risk could be higher than what you expect.

Never a Margin Call

PipBoxer V4 follows the “Never a Margin Call” policy. It calculates the risk of losing money per trade and also the amount of money you need to invest to enter the trade. It then compares the total money that you might lose or engage with the trade to the minimum balance that you need to avoid the margin call. If there is a chance of receiving a margin call from your broker it doesn't enter the trade, so you never receive a margin call. The system receives your broker's margin call policy from the MetaTrader terminal and then makes calculations accordingly.



We found out that some brokers do not pass the margin call info to the system. To avoid any problems with your live trades a new system variable “bypass_margin_call” is in place and set to “true” by default. If this variable is “true” the system won't follow the “Never a Margin Call” policy. You may change this variable to “false” to avoid any margin calls.

Currency Pair Diversification

The other risk management tool is “currency pair diversification”. PipBoxer is capable to trade up to 12 currency pairs. Trading more than 1 currency pair could help you to

distribute the risk among different EAs rather than relying on one EA alone. Our live reports and also back-test reports show that the result could vary among different pairs.

My suggestion is to distribute VAR between 3 or more currency pairs and let them trade at the same time. You may choose the ones that you feel more comfortable with, or your broker offers tighter spreads on.

Other Risk Management Tools

There are five variables in place that can help you mitigate your risk.

- **user_lot_size:** This variable enables you to take the order size under your control. If you assign 0 or a negative value to “Value_At_Risk” then PipBoxer uses the value of “user_lot_size” as the size of each trade. For example if “Value_At_Risk” is 0 and “user_lot_size” is 0.1 then the size of each order would be 0.1 lots. If you want to use “user_lot_size” instead of the automated lot calculator, make sure to assign 0 to “Value_At_Risk” and also enter a value for “user_lot_size” that is acceptable by your broker.
- **account_risk_control:** If you set this variable to true – the default value – the EA does not allow you to assign a value greater than 10 to VAR. If you by mistake enter a large value for VAR the system reduces it to 10%.
- **no_risk_balance:** This value is the part of your account balance that you don’t want to be risked on a trade. For example if your account balance is \$25,000.00 and you set \$10,000.00 to this variable, the system calculates the lot size based on the remainder of the balance that is \$15,000.00 (or 25,000-10,000). So if your VAR is 10% the worst case scenario would be to lose \$1,500.00 per trade not \$2,500.00.
- **enter_high_risk:** Suppose your broker doesn’t allow you to trade less than 0.1 of a standard lot. If the calculated lot size for a trade is less than 0.1 lots and “enter_high_risk” is “true” the system will trade the minimum lot size (i.e. 0.1 lots). However, if the trade hits the SL it may lose more than the value you have set to VAR. To eliminate the risk of losing more than what you can afford assign “false” to “enter_high_risk”. When “enter_high_risk” is “false” the system will only enter a trade if the calculated lot size is equal or more than the minimum lot size. The default value is “true” to avoid missing any trades. This feature is especially very important if your account balance is low.
- **_above_max_lots_ok:** This variable is set to “true” by default. When this variable is true if the calculated lot number is more than maximum number of lots allowed by your broker the system trades the maximum number of lots. If the variable is “false” and calculated number of lots exceeds the maximum lot number the system does not initiate the trade.

- `bypass_margin_call`: This variable controls the margin call feature. It is “false” by default. If you set it to “true” then it won’t a trade if the odds of getting margin call is high. Some brokers do not support this feature.

Trade/Risk Management Tools

There are some variables/tools that could be considered risk management tools but we have placed them under Trading Tools. These variables give the trader some level of freedom to control the behavior of PipBoxer they way he/she wants. We have preset the values of these variables to what we believe are the best but you have the chance to change them at your own discretion.

- `_short_trades`: It “false” the system won’t enter short trades. The default value is “true”.
- `_long_trades`: It “false” the system won’t enter long trades. The default value is “true”. If you set both “`_short_trades`” and “`_long_trades`” to false it is obvious that PipBoxer does not enter new trades at all.
- `_max_takeprofit`: Defines the maximum take profit in pips targeted by each trade. For example if you set this variable to 300 the maximum profit that you can make per trade does not exceed 300 pips. We have optimized this value for every currency pair but have given you the capability to override our calculated value. Please note that this variable defines the maximum TP value. The actual TP value could be smaller than this.
- `_max_stoploss`: Defines the maximum stop loss in pips targeted by each trade. For example if you set this variable to 300 the maximum loss that may occur per trade does not exceed 300 pips. This feature is especially useful for those who use fixed lots to trade. It helps them to control their maximum loss. Please note that this variable defines the maximum SL value. The actual SL value could be smaller than this.
- `_quick_be`: Moves the stop loss 1 pip above the open price when the market reaches this value. For example if you set this value to 50, if the market moves 50 pips in your favor the stop loss moves 1 pip above your open price and your trade is locked in profit. We have optimized this value for each EA but you may override it at your own discretion. On top of “`_quick_be`” PipBoxer uses an internal “Move to Break-even” feature which could move SL to break-even point at another level of price movement.
- `_max_open_trades`: Defines the maximum number of open trades. The system enters a new trade only if the number of open trades – no matter how they are initiated – is less than this number. The variable is set to 100 by default. So if there are 10 or more trades open – whether manual or automatic

– PipBoxer V4 does not enter a new trade. I should insist that this trade considers all pending and open trades which are placed manually, by PipBoxer, or by another Expert Advisor or Script.

- *_max_trades_this_pair*: This is a new variable for PipBoxer V4. This variable controls the maximum trades that could be opened by PipBoxer on a specific currency pair. For example if you have attached PipBoxer to a USDCHF chart and this variable is 4, then PipBoxer would open a maximum of 4 trades on USDCHF. This variable only takes PipBoxer trades on a specific pair into account. It does not consider trades opened manually or by other automatic methods.
- *_trades_allowed*: This variable is obsolete. We have replaced it by two variables “_short_trades” and “_long_trades”.
- *trades_slippage*: Slippage shows the systems flexibility at the time of entering a new trade. For example if the current Ask price is 1.9000 and the “trades_slippage” is 2 when the system request to initiate a trade the broker has the flexibility to open the trade up to 2 pips away from the requested price. The default value is set to 2. If your broker re-quotes you a lot you can increase this value. However, you may increase your chance of losing a trade.

Entering and Exiting Trades

A complete auto-trader is the one that can enter and exit trades automatically. PipBoxer V4 is no exception. It automatically enters a trade when it recognizes an opportunity and exits a trade by setting proper Take Profit and Stop Loss levels. The entry and exit happens according to the strategy and settings of the EAs.

The `_server_time` Variable

This variable is obsolete. We do not use it in PipBoxer V4 anymore.

The Use of Trading Stripes

One of the features that I like a lot about PipBoxer V4 is the definition of trading stripes. With this concept in hand the system does not enter a trade if the price does not fall into the stripe. This means that you are secured against sudden uncontrolled breakouts. The value of this approach is demonstrated when you are trading live. For example if, because of a news release the price suddenly jumps to 30 pips above the box a trade does not take place. This is a fantastic shield against an unpredictable forex market.



For long (buy) trades the Ask price needs to fall within the stripe and for short (sell) trades the Bid price needs to fall within the stripe.

Multiple Trades on the Same Pair

If PipBoxer V4.0 recognizes a chance to enter the market even if another trade from the same pair is open it enters the trade. Sometimes two trades in the opposite direction are open and build a hedge until one of the trades gets closed. When you see two or more trades open from the same pair do not panic. PipBoxer knows its job and manages all those trades individually and at the same time. Sometimes both trades that are open in opposite direction make money.

Adopting Money Management Techniques

Money management (MM) techniques are those that you use to get the best profit from each trade. With the help of these techniques you can maintain the win rate (i.e. the ratio of winning trades to losing trades) while you increase your pay rate (i.e. the average gain per winning trade to the average loss per losing trade). The following variables define the MM techniques. Note that some people consider the calculation of the number of lots an MM technique. I prefer to call it a risk management technique.



I have optimized the system and assigned proper values to these variables. You do not need to change the default values. However, you have access to these variables just in case you wish to customize the system based on your priorities.

- _move_to_break_even:** With this variable set to “true” if the price moves in your favor (e.g. 30% of profit target) the system moves the Stop Loss to the purchase price of the currency or a value near to it. This reduces the chances to lose a trade or at least mitigates the loss size. For example if PipBoxer V4.0 buys USDCHF at 1.2400 and the TP (Take Profit) is set to 1.2500 (i.e. 100 pips) while SL (Stop Loss) is set to 1.2320 (i.e. -70 pips) you might lose up to 70 pips if the market moves in the opposite direction of the trade. That’s why if the price moves to 1.2430 PipBoxer moves the SL to 1.2387 (i.e. -13 pips). Now if the market moves against you the maximum loss will be 13 pips rather than 70 pips. The exact deviation from the BE (Break-Even) point depends on the back-test results and it might be positive or negative.
- _trailing_stop_available:** If the price moves in your trade’s favor to certain level (e.g. 60% of the profit target) the stop loss will jump to BE plus 1 pip and then every pip the price moves toward TP the SL also moves one pip above BE. If the price moves in the opposite direction, the SL does not move and remains where it was. Therefore, if the direction of the market reverses you still make some money. For example in the previous example if the price moves to 1.2461 the SL moves to BE + 1 pip (i.e. 1.2401). If the price moves to 1.2467 the SL moves to BE + 7 pips (i.e. 1.2407). Now if the price moves in the opposite direction the SL stays where it is and if the price drops over 60 pips it hits the SL but instead of losing money you gain 7 pips. I have optimized the behavior of TS (trailing stop) for every pair to make sure you make the most out of it.
- _move_to_mid_TP:** Suppose the price advances 90% in your favor and suddenly reverses. In this case the trailing stop will save a few pips for you but that probably is not even enough to pay for the rollover swap interest. To address this problem in such cases the system moves the SL to somewhere around 50% of the TP. In the previous example if the price moves to 1.2485 the SL moves to 1.2455 so if the price drops you make 55 pips. If the “mid TP” was not in place you would have only made 25 pips with the help of TS. I

have optimized the “mid TP” system to make as much money as possible in a market that keeps changing directions.

- `_compromise_TP`: If the price moves in the opposite direction and there is a big chance that you'll lose this trade the PipBoxer V4.0 moves the TP to somewhere near BE so if the price moves in your favor the system closes the trade with minimal loss or even a little bit of profit. This feature is one of my favorites because many of the trades that were supposed to end up in loss will make money just as a result of a short move of price in your favor. This feature is similar to “`_move_to_break_even`” but when the price moves against your trades.
- `_neg_TS_available`: This variable enables a trailing profit in the opposite direction. It means that when the price moves in a negative direction it moves the TP to BE first and then follows the price in the negative direction. This feature in some cases minimizes the loss. However, throughout the back-testing I found out that I need to disable it for almost every pair.
- `_move_to_mid_SL`: With the help of this variable if the price approaches the original stop loss the system moves the TP midway to SL. This means that if by chance the price slightly moves in your favor the trade may get closed with half the loss instead of full loss. I have disabled this feature for most pairs but it can be used as a potential tool to reduce the loss.

Managing Multiple Trades

PipBoxer V4 comes with a new feature that enables the money manager not only to manage individual trades but to manage multiple trades opened on the same currency pair. The previous variables that I explained consider trades as isolated entities. With “multiple trades money manager” PipBoxer is able to consider more than one open trade at the same time.

For example if PipBoxer has opened 3 trades on GBPJPY then this feature manages them all at the same time. The parameters that control this feature are as follows. You as the user can change the values if you want to.

- `_manage_multi_trades`: The variable could be “true” or “false” to enable or disable multi trade manager respectively.
- `profit_cap`: The minimum ratio of the open profit on multiple trades to the account balance in order to close the trades. This ratio is stated in percentage. For example 8 means, 8%. As an example if this value is 8 and your account balance is \$1000.00 the multi trades manager closes all GBPJPY trades if the open profit by all these trades reaches \$80.00. Note that multi trades manager built into PipBoxer EAs consider all trades opened on one pair only. It also considers both swap and profit/loss combined.

- **loss_cap:** The minimum ratio of the open loss on multiple trades to the account balance in order to close the trades. This ratio is stated in percentage. For example 5 means, 5%.
- **cap_dollar_flex:** It considers a dollar value to enhance the behavior of multi trades manager. For example if your account balance is \$5000.00 and your "profit_cap" is 5 then multi trades manager closes trades if the open profit is equal or more than \$250.00 (or rather 5% of the account balance). Now if the value of "cap_dollar_flex" is 10, then multi trades manager closes the trades when the open profit is \$240.00 or more (i.e. 250-10). In other words "cap_dollar_flex" narrows the range to capture the moment. "cap_dollar_flex" works the same way if you are facing a negative float (or rather open loss). The default value of this variable is 0.



If your account balance is \$3000.00 or less then make assign 0 (zero) to "cap_dollar_flex", otherwise you may see trades closed sooner than what you expect.



Multi Trades Manager is different from ITM (Investatech Trades Manager). ITM manages all of the trades opened by PipBoxer (and if you want to even trades opened by GridBoxer and/or manually or by other automatic methods). Multi Trades Manager considers the trades opened by PipBoxer on a specific pair only. You can use these two features simultaneously to enhance your trading experience.

We believe that with all these MM tools in place you are guarded against negative market movements to a great extent.

With a combination of market analysis techniques, entry and exit tools, risk management techniques, and money management tools PipBoxer V4 is beyond a simple EA. It is a powerful trading package.



The Back-test Results

Since the parameters of the EAs change from time to time we publish the latest back-test reports on our website. You must also consider this fact that back-test does not show the best realistic report about the behavior of the system. We therefore publish our live trades' statement along with forward-test reports on <http://www.pipboxer.com/reports>. Visit that page for more information about back-test reports, forward-test reports, and live trades reports.

How to Use PipBoxer V4

Every PipBoxer package contains 9 libraries, 3 activation files, and one or more Expert Advisors. Please refer to the “Installation Guide” for more information about installing these files correctly. When the installation is complete you need to attach PipBoxer Expert Advisors to 15 minute charts in MetaTrader 4 terminal. For example you need to attach PipBoxer for GBPUSD to the M15 chart of British Pound vs. US Dollar. If you do not know how to attach EAs to charts and where to place the PipBoxer V4 files refer to [section 2](#) of this guideline. Make sure to enable live trading with EAs.



We expect that you have basic knowledge of using MetaTrader4 for the purpose of installation and using our EAs.

I suggest forward-testing the EA on a demo account for a while. When you feel comfortable with the EA you may start live trading. When you are trading live it is better to use risk management tools to reduce the risk of losing your money.

To be able to trade with PipBoxer V4 your computer needs to be connected to the internet all the time or rather when the market is open. The analysis tools and MM tools won't operate properly if your computer disconnects from the internet or your broker's server.



You may turn off your computer or close MetaTrader4 when the market is closed.

Minimum System Requirements

The EAs are currently working on Build 220 or a newer version of MT4. If you are not using this build upgrade your platform. We always compile our EAs with the latest build of MT4 so make sure to update your MT4 to the latest build.

Other minimum system requirements are the same as requirements to use the MT4 terminal.



You may encounter some limitations set by your broker such as prohibition from the use of EAs and/or trailing stops. Contact your broker to remove such limitations.

External Variables (User Input) Settings

You may consider assigning proper values to “Value_At_Risk” variables of all your PipBoxer EAs.

The VAR settings depend on your risk tolerance and also could change over the time according to the results that we gain from each pair. You may also consider the “Weight” column for your settings if you are not trading all of the EAs. We usually post the latest version of VAR settings on <http://www.pipboxer.com/news.php>.

PipBoxer V4 external variables fall into three categories. I have already explained many of these variables but it is good to gather and explain all variables in one place:

- Group 1: Trading Variables

- `_short_trades` (default value = true): If “false” the system won’t enter short trades.
- `_long_trades` (default value = true): If “false” the system won’t enter long trades.
- `_max_takeprofit` (default value = varies): Defines the maximum take profit in pips targeted by each trade. For example if you set this variable to 300 the maximum profit that you can make per trade does not exceed 300 pips. We have optimized this value for every currency pair but gave you the capability to override our calculated value.
- `_max_stoploss` (default value = varies): Defines the maximum stop loss in pips targeted by each trade. For example if you set this variable to 300 the maximum loss that may occur per trade does not exceed 300 pips. This feature is especially useful for those who use fixed lots to trade. It helps them to control their maximum loss.

- `_quick_be` (default value = 1): Moves the stop loss 1 pip above the open price when the market reaches this value. For example if you set this value to 50, if the market moves 50 pips in your favor the stop loss moves 1 pip above your open price and your trade is locked in profit. We have optimized this value for each EA but you may override it at your own discretion.
 - `_max_open_trades` (default value =100): If the number of open trades whether opened by PipBoxer or other methods is equal to or greater than this variable PB won't initiate a new trade.
 - `_max_trades_this_pair` (default value =20): This is a new variable for PipBoxer V4. This variable controls the maximum trades that could be opened by PipBoxer on a specific currency pair. For example if you have attached PipBoxer to a USDCHF chart and this variable is 4, then PipBoxer would open a maximum of 4 trades on USDCHF. This variable only takes PipBoxer trades on a specific pair into account. It does not consider trades opened manually or by other automatic methods.
 - `_draw_pb_shapes` (default value =true): If this variable is "true" then PipBoxer draws shapes. You may change it to "false" to disable this feature.
 - `trades_slippage` (default value =2): Represents the maximum deviation of the open price from the requested price in pips. The larger this value the less is the chance of getting re-quoted. However, you increase your risk of losing the trade.
- Group 2: Risk Management Variables
 - `Value_At_Risk` (default value = varies): This variable defines the maximum percentage of the account balance that you accept to lose in a single trade. For example if your account balance is \$2,300.00 and `Value_At_Risk` is set to 2% you may lose up to \$46.00 per trade. Your losses might be slightly higher than this value due to limitations set by your broker. The maximum value that you can assign to `Value_At_Risk` is 10 by default (i.e. 10%). I do not recommend assigning higher values. However, if you want the system to accept higher values set the "account_risk_control" variable to "false".
 - `user_lot_size` (default value = 1): If you want to trade fixed lot sizes you need to assign 0 (zero) or a negative value to "Value_At_Risk" and then the lot size value to this variable. For example if you are willing to trade 0.5 lots per trade, assign 0 or a negative value to "Value_At_Risk" and 0.5 to "user_lot_size".

- no_risk_balance (default value = 0): This variable allows you to exclude part of your account balance from lot size calculations.
 - account_risk_control (default value = true): When true, if you assign a value greater than 10 to Value_At_Risk it generates a warning message and replaces the value with 10. With the help of this variable you make sure that you do not assign a high VAR to your trades by mistake.
 - enter_high_risk (default value = true): If “false” the system does not enter trades that might lose over the specified VAR. If “true” (the default value) PipBoxer does not miss any trades and enter trades with at least the minimum lot size allowed by the broker.
 - above_max_lots_ok (default value = true): If “true” when the calculated lot number is greater than the maximum lot number allowed by your broker the system trades the maximum lot number. If “false” the system won’t trade in such situations.
 - bypass_margin_call (default value = true): If “false” the system will not enter trades that might result in margin call. However, since some of the brokers do not provide the system with correct margin call information this variable is “true” by default.
- Group3: Money Management Variables
 - _move_to_break_even (default value = true): If “true” stop loss moves to break-even point or near to break-even point when the price advances in the trade’s direction. The exact behaviour of this feature varies from one currency pair to another.
 - _trailing_stop_available (default value = true): If “true” stop loss follows the price with a specific distance when the price advances in the trade’s direction. The exact behaviour of this feature varies from one currency pair to another.
 - _move_to_mid_TP (default value = true): If “true” stop loss moves to somewhere in the middle of open price to take profit value when the price significantly moves in the trade’s direction. The exact behaviour of this feature varies from one currency pair to another.
 - _compromise_TP (default value = varies): If “true” take profit moves to break-even point or near to break-even point when the price moves in the opposite direction of the trade. The exact behaviour of this feature varies from one currency pair to another.

- `_neg_TS_available` (default value = varies): If “true” take profit follows the price with a specific distance when the price moves in the opposite direction of the trade. The exact behaviour of this feature varies from one currency pair to another.
- `_move_to_mid_SL` (default value = varies): If “true” take profit moves to somewhere in the middle of open price to stop loss value when the price significantly moves in the opposite direction of the trade. The exact behaviour of this feature varies from one currency pair to another.
- `_manage_multi_trades` (default value = true): The variable could be “true” or “false” to enable or disable multi trade manager respectively.
- `profit_cap`: (default value = varies): The minimum ratio of the open profit on multiple trades to the account balance in order to close the trades. This ratio is stated in percentage. For example 8 means, 8%. As an example if this value is 8 and your account balance is \$1000.00 the multi trades manager closes all GBPJPY trades if the open profit by all these trades reaches \$80.00. Note that multi trades manager built into PipBoxer EAs consider all trades opened on one pair only. It also considers both swap and profit/loss combined.
- `loss_cap` (default value = varies): The minimum ratio of the open loss on multiple trades to the account balance in order to close the trades. This ratio is stated in percentage. For example 5 means, 5%.
- `cap_dollar_flex` (default value = varies): It considers a dollar value to enhance the behavior of multi trades manager. For example if your account balance is \$5000.00 and your "profit_cap" is 5 then multi trades manager closes trades if the open profit is equal or more than \$250.00 (or rather 5% of the account balance). Now if the value of "cap_dollar_flex" is 10, then multi trades manager closes the trades when the open profit is \$240.00 or more (i.e. 250-10). In other words "cap_dollar_flex" narrows the range to capture the moment. "cap_dollar_flex" works the same way if you are facing a negative float (or rather open loss). If your account balance is less than \$3000.00 make sure to change the value of this variable to 0.



The variables affect the EA attached to the current chart. If you want to change a variable for all of the pairs you need to change if for every EA one by one.

PipBoxer V4 vs. PipBoxer V3

The following table shows some major differences between PipBoxer V4 and V3. We may keep adding new features to PipBoxer to keep it more responsive to the market movements

PipBoxer V4	PipBoxer V3
<p>PipBoxer V4 analyses the market 24/5 to find the best opportunity to enter a new trade.</p> <p>This version of PipBoxer could enter a trade any time of the day.</p>	<p>The analysis is limited to a specific time of the day.</p>
<p>PipBoxer V4 uses a price action mechanism to recognize the direction of the market.</p> <p>The elimination of the indicator makes PipBoxer more dependent on what market shows right now rather than what has happened in the past.</p>	<p>Uses an indicator-based mechanism to recognize the direction of the market.</p>

On top of all these features we have optimized the parameters of V4 and added some internal variables to it to get better results.



Beware of Risks

Forex traders are aware that this market is probably one of the riskiest markets in the world. There are several reasons that make Forex a risky market. The fundamentals behind forex are very complex and make it unpredictable. Forex is directly affected by both economic and political news. The highly leveraged environment of forex is another reason that makes it so risky.

If you are willing to trade forex make sure to prepare yourself for risks. There is no system or trading approach that could guard you 100% against the risks of trading forex. Also make sure not to trade with the money that you cannot afford to lose. Forex trading is not for everybody. Do your research before entering this world.

Other than the inherited risks of forex trading there are many other risks that you need to take into account. Some of them are as follows.

The Internet Connection

The MetaTrader terminal is by default located on your computer while you need information through the internet to be able to enter and manage trades. One of the greatest risks that you may encounter is being disconnected from the internet. There are different ways that you can cope with this risk. For example you can get a good and reliable service and also attach your computer to a UPS machine to make sure the system is always on. The other solution could be installing the terminal on a Virtual Dedicated Server (VDS) also known as a Virtual Private Server (VPS). Many of such servers guarantee over 99% uninterrupted connection to the internet. If you want to use a VDS service make sure it really works for you.

The Server Connection

Even if the trading terminal is connected to the internet all the time it may get disconnected from the trading server. There is no specific solution to this problem. That's why PipBoxer always uses its trading tools to define SL and TP clearly. In case of disconnection from the trading server the worst case scenario would be hitting the SL.

The Broker

Know your broker. Some brokers do not honor TP or SL all the time and may put you into trouble. PipBoxer uses several tools to mitigate the broker's interference but at the end of the day it is you who should select the broker wisely.

The Trader

PipBoxer is a mechanical system that works based on solid rules but if you are not a disciplined trader you may ruin everything. Make sure to close a trade manually only if you are quite sure that it won't work for you. Sometimes a trade moves against you for several days but eventually hits the TP. PipBoxer MM tools can help you to take care of your trades but your interference can ruin the overall performance of the system. If you do not feel comfortable with PB demo trade it for a while and enter live trades only if you feel this is the right system for you.

Trading with fixed lot size is not a good idea. I suggest using risk management tools to make sure the drawdown is under control. Do not increase VAR to huge numbers. It can be destructive especially on a live account. If you want more, trade more than one pair. For example pick 3 to 5 pairs that show the best results or your broker offers the tightest spreads and then risk 1 to 2 percent on each. If you trade with fixed lot sizes make sure that the number of lots you trade do not affect your account balance hugely. For example on \$10,000.00 account do not go beyond trading 0.5 lots per trade (actually I suggest not trading more than 0.3 standard lots).

The EAs

The built in risk manager in the EA calculates lot size based on the maximum loss per trade (or VAR). However, the brokers do not allow you to trade any number of lots you want. For example the calculations might show that you need to trade 1.072 lots while your broker might not allow you to trade less than 0.1 fractions. This means that you either need to trade 1 lot or 1.1 lots. The system rounds the number to the nearest value allowed by your broker. In this case it would be 1.1 lots which are more than the calculated lot size. Therefore if the trade hits the SL you will lose a little bit more than what you expected. Be prepared for such incidents. To avoid this problem make sure to set the "enter_high_risk" variable to "false" and lower "Value_At_Risk" below your loss tolerance. For example if you wish to lose not more than 2% per trade, enter 1.5% to avoid unexpected losses.

Although I have done my best to predict all policies set by the broker there might be exceptional cases that you would see contradictions between the broker's policy and the EA. For example the price approaches the TP and the EA tries to move the SL to mid-TP but the broker doesn't accept the request. Such incidents might happen if the price is very near to the TP. You might rarely encounter such problems. One approach is to manually correct the trade to the nearest value allowed by your broker. You may also contact your broker and ask them to fix the problem. They might be able to help.

Terms, Conditions, and Disclaimer

Terms and Conditions:

You can always find the latest version of our terms and conditions on <http://www.pipboxer.com/policy.php>. We update the text from time to time. We always consider the latest version of our policy to be in effect.

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 market. Don't trade with money you can't afford to lose. This ad/presentation is neither a solicitation nor an offer to trade forex. No representation is being made that any account will or is likely to achieve profits or losses similar to those discussed on this ad/presentation. The past performance of any trading system or methodology is not necessarily indicative of future results.

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Moreover, the leveraged nature of FX trading means that any market movement will have an equally proportional effect on your deposited funds. This may work against you as well as for you. The possibility exists that you could sustain a total loss of initial margin funds and your position will be liquidated and you will be responsible for any resulting losses. Investors are recommended to lower exposure to risk by employing risk-reducing strategies such as 'stop-loss' or 'limit' orders. Investatech Inc., PipBoxer.com and/or the author of PipBoxer Expert Advisors (i.e. aparsai/pipboxer/Al Parsai) and strategy will not be held responsible for the reliability or accuracy of the information available on this ad/presentation. The content provided is put forward in good faith and believed to be accurate, however, there are no explicit

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