

Hedge Strategy

I am fully aware that this system is basically trading the EURGBP but the idea is that we reduce risk if our entry signal is wrong or false.

- Base symbol is **GBPJPY** and Hedge symbol is **EURJPY**.
- Period is **H4** or **Daily** only.

BUY or GO LONG

- EMASlow crosses the EMASlow upwards
- RSI is greater than 55

SELL or GO SHORT

- EMASlow crosses the EMASlow downwards
- RSI is less than 45

You just need to attach it to a GBPJPY chart. I found the best results are on 4H or Daily chart, the default is 4H.

Base Lot size is automatically calculated by $\text{AccountBalance}()/10000$. The Hedge lot size is calculated based on EURGBP bid price. So, if Base lot size is 1.0 then (currently) hedge lot size is 0.93.

Take profit is calculated by $\text{Lot size} * 100$. There is NO stop loss as such, this would need to be done manually if the correlation dissolves.

Also, I forgot to mention, if we GO LONG on GBPJPY, we GO SHORT on EURJPY. If we GO SHORT on GBPJPY then we GO LONG on EURJPY. So, there will always be 2 orders open at the same time. When the profit from these 2 orders is ≥ 100 pips it will close both orders. And finally if the days total profit is \geq Daily Target the EA stops for that day.

I have included the following parameters:

Name	Instructions	Default
TradeAllowed	Enables the EA to place new trades	False
UseTradingHours	Enables the EA to only place new trades between certain hours	False
StartHour	The hour (24) to start placing new trades	8
CloseHour	The hour (24) to stop placing new trades	16
TradeOnFriday	Enables/disables the EA from placing new trades on a Friday	true
Correlation	The correlation figure between base and hedge symbol	0.8
TakeProfit	The EA will close both orders when their combined profit is greater or equal to this figure. If this is set to 0 then the EA will auto calculate takeprofit based on $\text{base lot size} * 100$.	100
DailyTarget	This is the amount to profit in a day	1000
CurrencySuffix	For IBFX accounts	Blank. Enter m for IBFX accounts
EMAFast	The EMA fast integer	5
EMASlow	The EMA slow integer	12
RSIPeriod	The RSI period	5
RSIUpper	The RSI upper integer	55
RSILower	The RSI lower integer	45
TimeFrame	The chart timeframe to use	PERIOD_H4
MagicNo	The magic number used by the EA for placing/closing trades	1801
Slippage	The maximum slippage used for placing new trades	3