

Exit strategies for the DC Trade Program “The Genie”

All signals buy at the DC Entry price which is designated on the DC Trade Program. The First Target Price and the DC Stop price are also designated on the DC Trade Program.

Daniel Code Trade Program										
										Account Value: \$50000
Trades for: 12/01/2010										Risk Value (%): 2%
Contract	Market	Signal	Entry	Stop	1st Target	Corr. Trades	Contracts at Risk	Contracts Taken	Margin (\$)	Total Risk (\$)
\$AUD-USD	AUD-USD	Buy	0.9665	0.9538	0.9681	YES	1.6			0
\$CAD-CHF	CAD-CHF	Buy	0.9837	0.9669	0.985	YES	3.2			0
\$EUR-GBP	EUR-GBP	Buy	0.8453	0.8335	0.8461	YES	1.0			0
\$EUR-JPY	EUR-JPY	Buy	110.74	108.29	110.94	YES	0.7			0
\$EUR-USD	EUR-USD	Buy	1.3155	1.2964	1.3175	YES	0.7			0
\$GBP-CHF	GBP-CHF	Buy	1.5635	1.5441	1.5658	YES	1.1			0
\$GBP-JPY	GBP-JPY	Buy	131.32	129.29	131.52	YES	0.8			0
\$GBP-USD	GBP-USD	Buy	1.5601	1.548	1.5623	YES	1.0			0
\$NZD-JPY	NZD-JPY	Buy	62.97	61.83	63.08	YES	2.0			0
\$NZD-USD	NZD-USD	Buy	0.7475	0.7392	0.7488	YES	2.0			0
\$USD-INR	USD-INR	Sell	45.68	46.15	45.65	YES	4.9			0
DX-057	DX	Sell	80.72	81.55	80.61	NO	1.2		\$1,596	0
										Total Risk Value: <input type="text"/>
										Total Risk (%): <input type="text"/>
Submit Trades							Calculate Total Value Sold		Exit	

If a trade is elected, one of three Trade Management strategies are used to manage and exit the trade. Below are the Trade Management protocols and exit strategies for the three types of signals designated in the DC Trade Program. They are coded as ‘**Reversal Trades: Weak Trend**’, ‘**Continuation Trades**’ and ‘**Threes**’.

1) Trade Reversal Signal: For trades designated in the DC Trade Program as ‘**R**’ (for reversal), the program will, when the 1st target specified in the DC Trade Program is reached:

- Take off half of the open position,
- Move the stops on the balance of the position to break even (entry price) +/- 1 tick.
- Exit remaining positions at the first profitable close on the daily chart (FPC).

Where there is just **ONE** contract in a designated reversal ‘**R**’ trade, the stop is moved to break even when the 1st target is reached and the trade is exited at the FPC.

2) Trade Continuation Signals: For trades designated in the DC Trade Program as ‘**C**’ (continuations), the stop follows the stoch K on the fast (5,3,3) DC stochastic. In a buy trade, the stop moves as a 2 bar trailing stop on the daily chart counting only completed bars, so long as the stoch is not overbought (80%). Once the stoch K becomes overbought ($\geq 80\%$), the stop moves to a 1 bar trailing stop and is maintained progressively until the trade is stopped out. Sell trades are the opposite, ie the program uses a 2 bar trailing stop until stoch K on the DC fast stochastic becomes oversold ($\leq 20\%$) and then switches to a 1 bar trailing stop. This is maintained and moved progressively until the trade is stopped out.

3) 3:3 Trade Signals: Enter at the Trade Program number on stop. Place your initial stop loss at the Trade Program stop number. If the trade has not exited at the close of the entry day, move the initial stop on entry to become a 1 bar trailing stop. Exit FPC.

Note: All strategies use a stop and reverse on the *day of entry if an outside bar is created*. The stop and reverse point is 1 tick above/below the last completed daily bar. If the stop and reverse is elected, the trade is exited at the first profitable close for a profit, or a Stop loss at the other end of the bar for a loss.