



LEVELATOR METHOD[©]

Presented by

Russ Horn
Forex Strategy Master ©
www.forexstrategymaster.com

Published by
Old Tree Publishing CC
Suite 509, Private Bag X503
Northway, 4065, KZN, ZA
www.oldtreepublishing.com

Copyright © 2013 by Old Tree Publishing CC, KZN, ZA

Reproduction or translation of any part of this work by any means, electronic or mechanical, including photocopying, beyond that permitted by the copyright law, without permission of the publisher, is unlawful.

Trademarks: Old Tree Publishing CC, Forex Strategy Master, Levelator Method

RISK DISCLOSURE STATEMENT / DISCLAIMER AGREEMENT

Trading any financial market involves risk. This report and all and any of its contents are neither a solicitation nor an offer to Buy/Sell any financial market.

The contents of this report are for general information and educational purposes only (contents shall also mean the website www.forexstrategymaster.com or any website the content is hosted on, and any email correspondence or newsletters or postings or affiliate site as related to such website). Every effort has been made to accurately represent this product and its potential. There is no guarantee that you will earn any money using the techniques, ideas and software in these materials. Examples in these materials are not to be interpreted as a promise or guarantee of earnings. Earning potential is entirely dependent on the person using our product, ideas and techniques. We do not purport this to be a "get rich scheme."

Although every attempt has been made to assure accuracy, we do not give any express or implied warranty as to its accuracy. We do not accept any liability for error or omission. Examples are provided for illustrative purposes only and should not be construed as investment advice or strategy.

No representation is being made that any account or trader will or is likely to achieve profits or losses similar to those discussed in this report or anywhere on www.forexstrategymaster.com. Past performance is not indicative of future results.

By purchasing and/or using any content or product including material herein contained, subscribing to our mailing list or using the website or contents of the website or materials provided herewith, you will be deemed to have accepted these terms and conditions in full as appear also on our site, as do our full earnings disclaimer and privacy policy and CFTC disclaimer and rule 4.41 to be read herewith. So too, all the materials contained within this course, including this manual, whether they appear on our domain(s) or are in physical form, are protected by copyright. "Warning: The unauthorized reproduction or distribution of this copyrighted work is illegal. Criminal copyright infringement, including infringement without monetary gain, is investigated by the authorities and is punishable with imprisonment and a fine." We reserve all our rights in this regard.

Old Tree Publishing CC, Alaziac Trading CC, in association with www.forexstrategymaster.com, the website, content, and its representatives including Russ Horn do not and cannot give investment advice or invite customers or readers to engage in investments through this report or any associated software or any subscription to any part of it.

The information provided in this content is not intended for distribution to, or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation or which would subject us to any registration requirement within such jurisdiction or country.

Hypothetical performance results have many inherent limitations, some of which are mentioned below. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. In fact, there are frequently sharp differences between hypothetical performance results and actual results subsequently achieved by any particular trading program and method or software. Old Tree publishing and nominee by users use of this trading manual is indemnified fully by any such user in any and all and each respect possible.

One of the limitations of hypothetical performance results is that they are generally prepared with the benefit of hindsight. In addition, hypothetical trading does not involve financial risk and no hypothetical trading record can completely account for the impact of financial risk in actual trading.

For example, the ability to withstand losses or to adhere to a particular trading program or system in spite of the trading losses are material points that can also adversely affect trading results. There are numerous other factors related to the market in general or to the implementation of any specific trading program, which cannot be fully accounted for in the preparation of hypothetical performance results. All of which can adversely affect actual trading results.

We reserve the right to change these terms and conditions without notice. You can check for updates to this disclaimer at any time by visiting www.forexstrategymaster.com.

Governing law: This policy and the use of this book, provided in any form, and any content on the website site are governed by the laws of the Republic of South Africa. Further details on this are found under the Terms and conditions on our site. Please ensure you read and agree with all Terms and Conditions as set out on our site before using any of the materials. Your use and reliance on the materials is based on your acceptance of such Terms and Conditions and policies as appear on the site.

The LEVELATOR Method

In this report, we will discuss a system called the Levelator Method.

We are going to use an indicator called the Levelator that will identify several levels that appear between a swing high and a swing low.

You can trade this method on any timeframe and on any currency pair. This also works on non-Forex charts, so if you trade Oil or Gold, you are still good.

System Components & Indicators

Timeframe:

All Timeframes

Currency Pairs:

All Currency pairs, preferably ones that are moving nicely and not moving sideways.

Indicators:

1. 2ColorMA
2. Levelator

Before we get to the charts and the system itself, you must download and install the indicators. You will find a Levelator Autoinstaller. This will automatically download and install your indicators and a Levelator template.

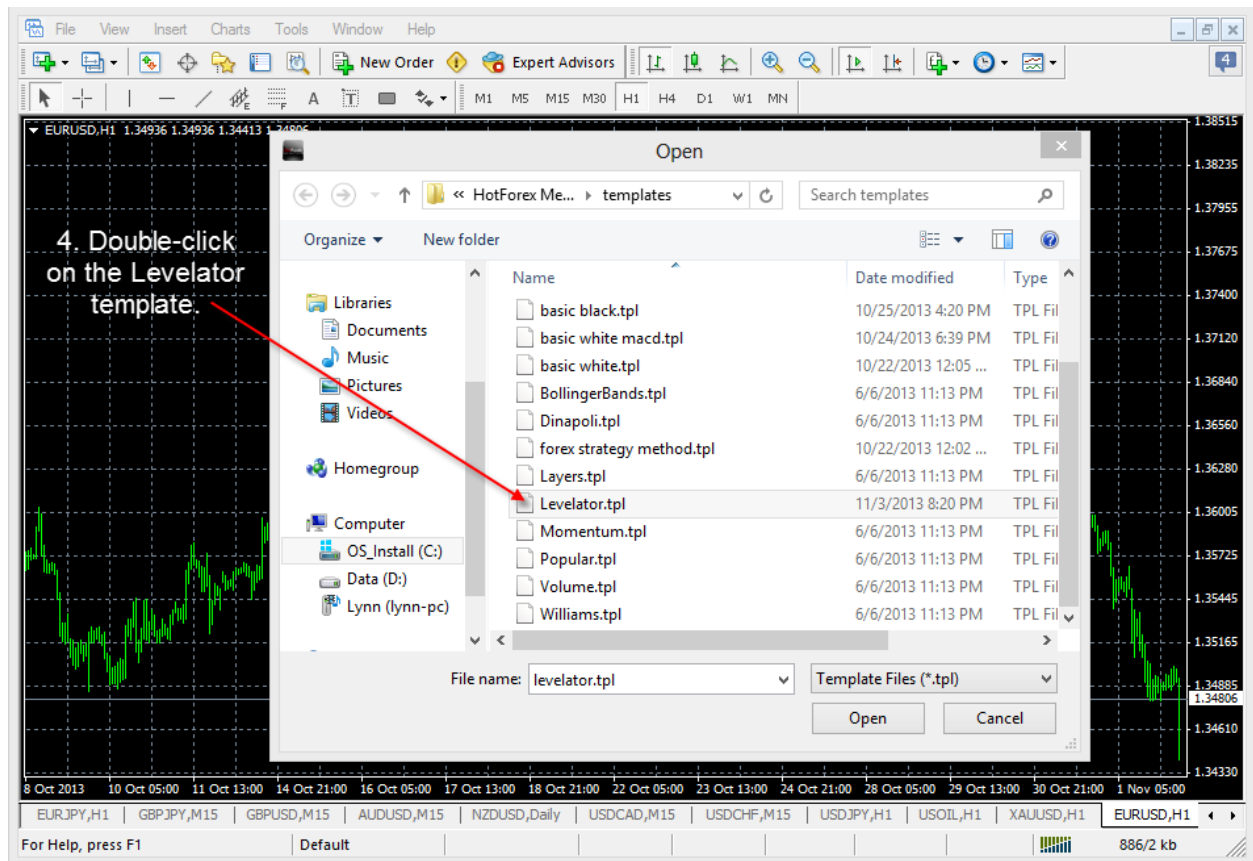
Chart Setup

Applying the Levelator template to your charts.

1. Open a new chart.
2. Click the Template Icon on the toolbar.
3. Choose Load Template...



4. Click on the Levelator template in the selection.



Your chart will now look like this:



Or maybe like this:

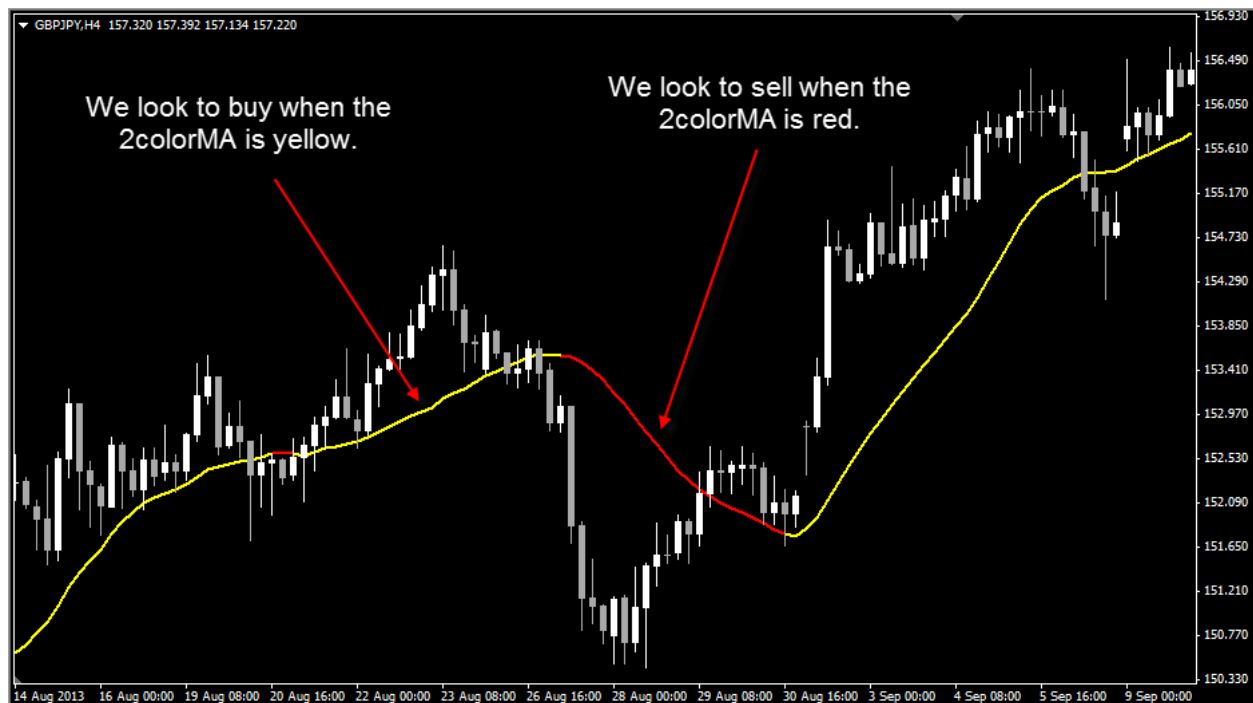


Explanation of the Indicators

2ColorMA:

This is the red and yellow line that runs through the price. This is the directional indicator that will tell us in what direction the market is likely to go.

When the 2ColorMA is red, we will be looking to sell.
When the 2ColorMA is yellow, we will be looking to buy.



Levelator Indicator:

The Levelator will give us levels in which we can:

1. Buy or sell.
2. Place a stop loss.
3. Place a take profit order.

By default, the Levelator will look to identify the lowest low and the highest high over the last 100 candles and then connect them.

Once a high and a low has been identified, the Levelator will draw 6 equally spaced levels or zones between the high and the low.

If the market has been moving upwards, the zones will be colored Orange.
If the market has been moving downwards, the zones will be colored Blue.

At each line that separates the sections, you will see a yellow number. This is the number of pips the current market price is away from these levels. These numbers will continually change as the price of the market changes.



Notes Before We Get Started

It's important to understand that in a buy trade or a sell trade, it doesn't matter if the Levelator is orange or blue.

Once price has moved through a zone to touch the next level, the color of that zone will disappear. You will see a lot of zones that have disappeared to leave the chart color to show through.

A Blue Levelator will have disappearing zones as the price rises upwards from the very bottom to touch the next upper levels.

An Orange Levelator will have disappearing zones as the price falls downwards from the very top to touch the next lower level.



Long Entry Rules

Long Example 1:

1. The 2ColorMA must be yellow.
2. The price on the chart must touch a few pips above the closest level.
3. The Take Profit will be just below the next level above the current price.
4. The Stop Loss will go just below the next level below the current price.



Long Example 2:

1. The 2ColorMA must be yellow.
2. The price on the chart must touch a few pips above the closest level.
3. The Take Profit will be just below the next level above the current price.
4. The Stop Loss will go just below the next level below the current price.



Short Entry Rules

Short Example 1:

1. The 2ColorMA must be red.
2. The price on the chart must touch a few pips below the closest level.
3. The Take Profit will be just above the next level below the current price.
4. The Stop Loss will go just above the next level above the current price.



Short Example 2:

1. The 2ColorMA must be red.
2. The price on the chart must touch a few pips below the closest level.
3. The Take Profit will be just above the next level below the current price.
4. The Stop Loss will go just above the next level above the current price.

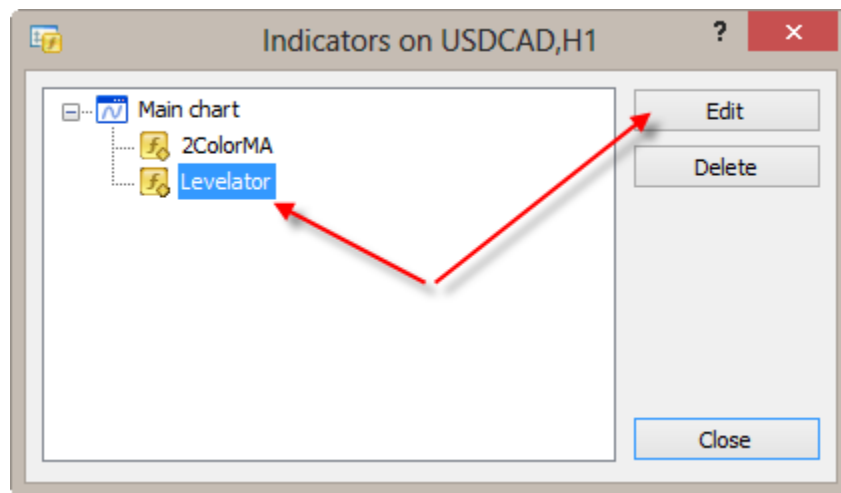


The Levelator will draw levels automatically based on the last 100 candles. You can change this in the properties window.

You can also have the Levelator automatically update itself for each new candle. This too can be set in the properties box. The auto-update feature is turned off by default.

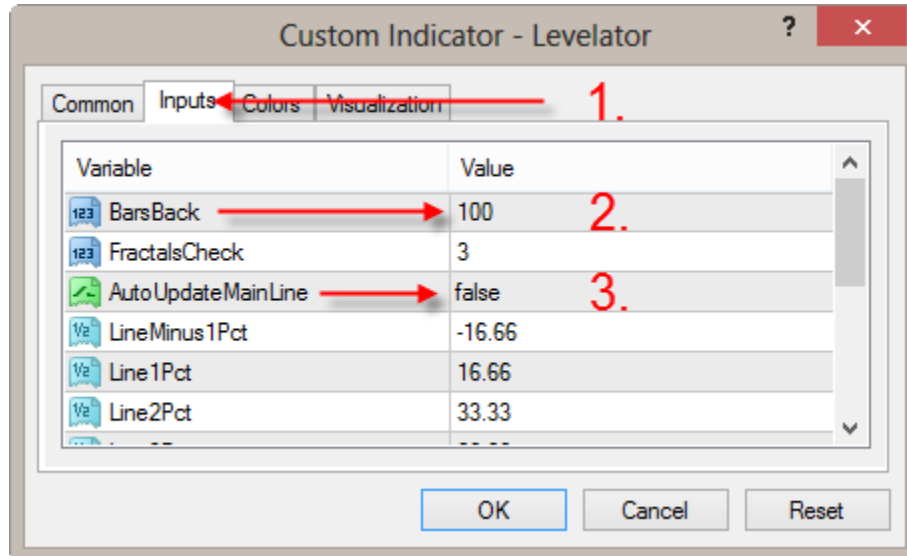
To get to the properties box, first you need to open the Indicators List box. To do this, press Ctrl-I on your keyboard, or right-click on your chart and click the Indicators List option. Either way will open your indicators list box.

Chose Levelator and click Edit.



This will open the Levelator properties box.

Under the Inputs tab, you will see the Bars Back setting. This is the Levelator look-back number. The default is set to 100 bars, but you can change that to anything you like. The Levelator will look for the highest high and the lowest low within the last 100 candles unless you change that number.



Next, the AutoUpdateMainLine is set to false by default. If you set it to true, the Levelator will automatically adjust itself for every new bar that is created.

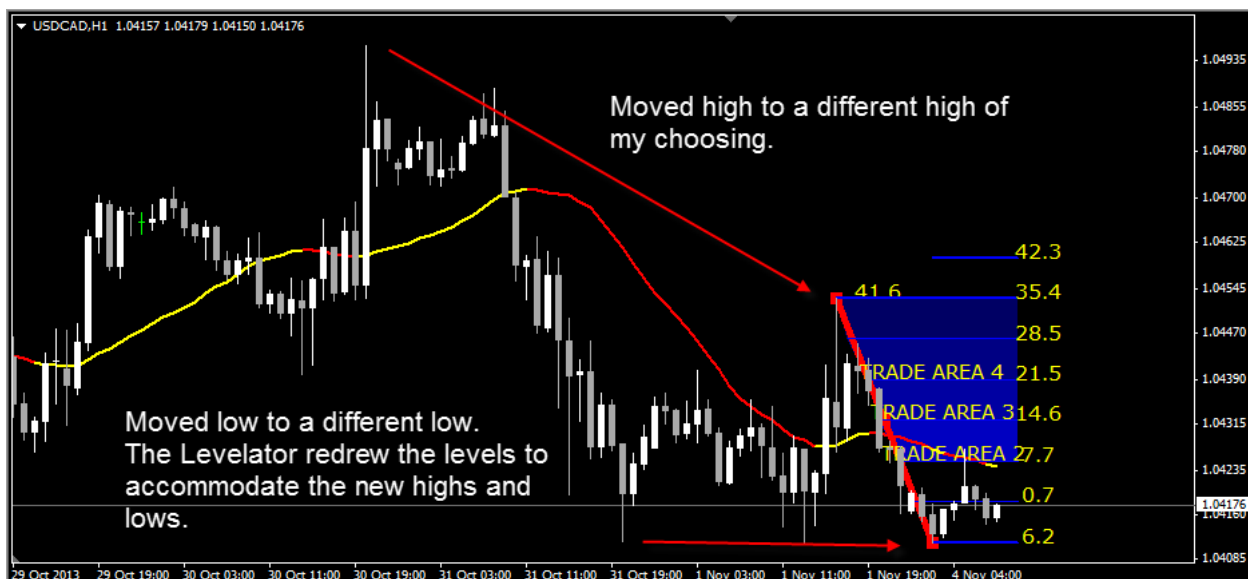
With the AutoUpdateMainLine setting remaining on false, you can manually adjust the Levelator to the highs and lows that you deem more appropriate.

Double-click on the diagonal Levelator line to select it. When the Levelator is blue, the diagonal line will be red. When the Levelator is orange, the diagonal line will be blue.

Once the line is selected, you will see a small box on the top, the bottom and in the middle of the line.



Now that the line is selected, you can drag the top and the bottom to the new levels you prefer.

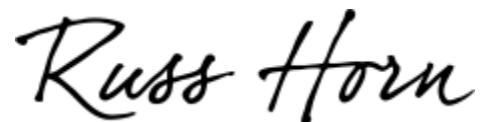


That's all there is to it.

This is a nice little system with very defined entry and exit rules. Try it out, it has about a 60% win ratio if you are trading with the direction of the trend as determined by the 2ColorMA.

The manual features of the Levelator indicator can have you trading the levels you see fit, this aspect of the system is very customizable and will allow you to trade your way.

Best of luck to you!

A handwritten signature in black ink that reads "Russ Horn". The script is fluid and cursive, with the first letters of "Russ" and "Horn" being capitalized and prominent.

www.ForexStrategyMaster.com