30-DAY FOREX RETURN EBOOK

Written by: Market Traders Institute, Inc.

30+ Lessons, Videos & Challenges INSIDE

30-DAY FOREX RETURN FORMULA

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WHAT'S INSIDE?

Introduction

Challenge Sheet

30-Day Financial Return Formula Lesson Breakdown

HI TRADER

Have these words escaped your mouth before?

“Trading for a profit is something only big wig bankers can do…”

I’m here to tell you that at one point, I said much of the same thing. It’s not easy to get your trades up and running in this market when you don’t have a mentor to turn to. Heck, I struggled for years learning through the school of hardknocks before it finally clicked.

Now, 21 years later, I can tell you that not only CAN average Joe traders make millions in this market, they do it year after year, and it’s my pleasure to work with many of them as they make their journey from trading hopeful to pro-level profits…

That’s why I’m writing to you now.

My name’s Jared Martinez, better known as the FX Chief™ in the Forex industry.

I’m excited for you to dive into the 30-Day Forex Return Formula ebook and challenge.

Let me give you a quick rundown of how this works.

You don’t have to read this ebook in one sitting and you certainly do not need to start only on the first of the month.

The lessons, the challenges and the tools inside this ebook are designed to help you take your trading from mediocre to master level as myself and my team of market analysts/traders at Market Traders Institute reveal some of the biggest lessons learned in the market that can literally change your financial returns forever.

Some lessons are longer than others, but it’s a fairly quick read.

Each day for the next 30 days, review at least one lesson and delve into it in practice. Open a demo account if you can and just go through the trading motions.

This ebook has elements for each type of learner: auditory, visual and hands-on.

Every so often, you’ll see a video link, charts and even trading exercises. I can’t tell you what to do, but I can tell you that reading is just the tip of the iceberg.

As with most things in life, it's those people who put in more effort that get more reward.

I have a saying that goes,

> "successful traders do what unsuccessful traders can't and won't do."

What this means to you: read through the ebook, watch the videos, analyze the charts and never give up. It's truly the only way to be successful in this market and in life.

Before I set you loose, I'd like you to know that the majority of these lessons are taught live in free workshops we host.

To claim your free ticket (included in your ebook purchase), go here.

To health, happiness and a formula for returns that truly works,

- FXCHIEF

Jared Martinez

P.S. If you still want more free resources, connect with us on social and check out additional freebies including videos, training exercises and more:

Success is not a fantasy, it's a formula.

To see real results in your account bottom line, you must have a vision of success. Studies from Forbes.com show that those who write down their goals are 97% more successful at achieving them[1].

Before we get started, think of what success looks like for you, for your family and for your trades.

I will be successful in this market when:

Some items other traders respond with include:

When I can turn a minimum of a 10% return on investment in one month

When I make enough profit in this market to remove my seed money and trade on the market's dime

When I am actually confident enough in my trading know-how to place my first live trade

When I can make a minimum of 500 pips in a single month

Like I said, make sure that your answer is 100% your own. Make sure it's how you truly feel and make that goal your guiding light over the next 30 days.

1 http://www.forbes.com/sites/85broads/2014/04/08/why-you-should-be-writing-down-your-goals/

Challenge Sheet

Pictured (left to right) William Gallagher, Michael Tawill, James Bishop, Chris Pulver.

When you're a retail investor, sometimes it's easy to feel lost in the crowd. With millions of search results claiming to explain what makes a good trader great and what it means to finally "make it" in the markets, it can be hard to tell what to focus on.

On the next page, you'll find a printable challenge sheet I suggest you print out and hang somewhere near where you trade. Put it on the wall. Tape it to your desk. Do whatever you have to do to keep these milestones top of mind.

Now, not all of the challenges are major achievements where you'll come out with a profit every time. Rather, they're a set of motions to go through to ensure that you're exercising what you're learning. Again, exercising what you're learning is the #1 best way to learn a new skill and turn your time reading this ebook into actual returns.

CHALLENGE SHEET

1 Don't Fudge the Fundamentals.

Go through the motions of *trading 2 fundamental announcements* this month.

What is a fundamental announcement?
A fundamental announcement is a report, meeting or other event usually hosted by a government or set of governments that is known to alter the market. At MTI, we teach that fundamental announcements can and have caused surges in the financial markets when speculators act upon the numbers, news and announcements that come from these events. One of the most popular fundamental announcements traders trade regularly is the U.S. Non-Farm Payroll Report.

Why do fundamental announcements matter?
Fundamental announcements, or "fundys" for short, are known to help the market fulfill what the technical indicators are projecting faster than if the market were to be left to move on its own, without the surge of market volatility. This means that your targets are hit faster than they would hit otherwise, meaning you can cash out your trades more quickly or enter a trade you've been waiting on sooner rather than later when the volatility causes your targets to be hit.

Which announcements should you trade and how?
Go here for a list of fundamental announcements happening this month:
forextips.com/forex-economic-calendar/

2 Increase your winning percentage by 5% over the next 30 days.

Expert Hint: Use trading systems and indicators to tighten up your analysis time and trade based upon proven signals.

3 Find 1 strategy you want to master this month.

Use it a minimum of 10x over the next 30 days. Some popular strategies are: Scalping Candlestick Formations, Trading Counter Trendline Breaks, and the Stochastic RSI U-turn Strategy. Detailed strategy breakdowns and how-to guides can be found in your Online University under Lesson 11, Chapter II (VIP members area for The Ultimate Traders Package on Demand™ students only).

4 Test a market scalping strategy versus a swing trading strategy.

Go through the motions of executing both strategies and see how your hypothetical trades pan out. Doing this will help you better determine which trading personality better suits you, whether you're better with slow, steady returns commonly associated with swing trades or if you thrive in smaller wins more often in the adrenaline-packed scalping arena.

5 Go through the FX Chief's Trading Rituals for every trade you place or hypothetically place this month.

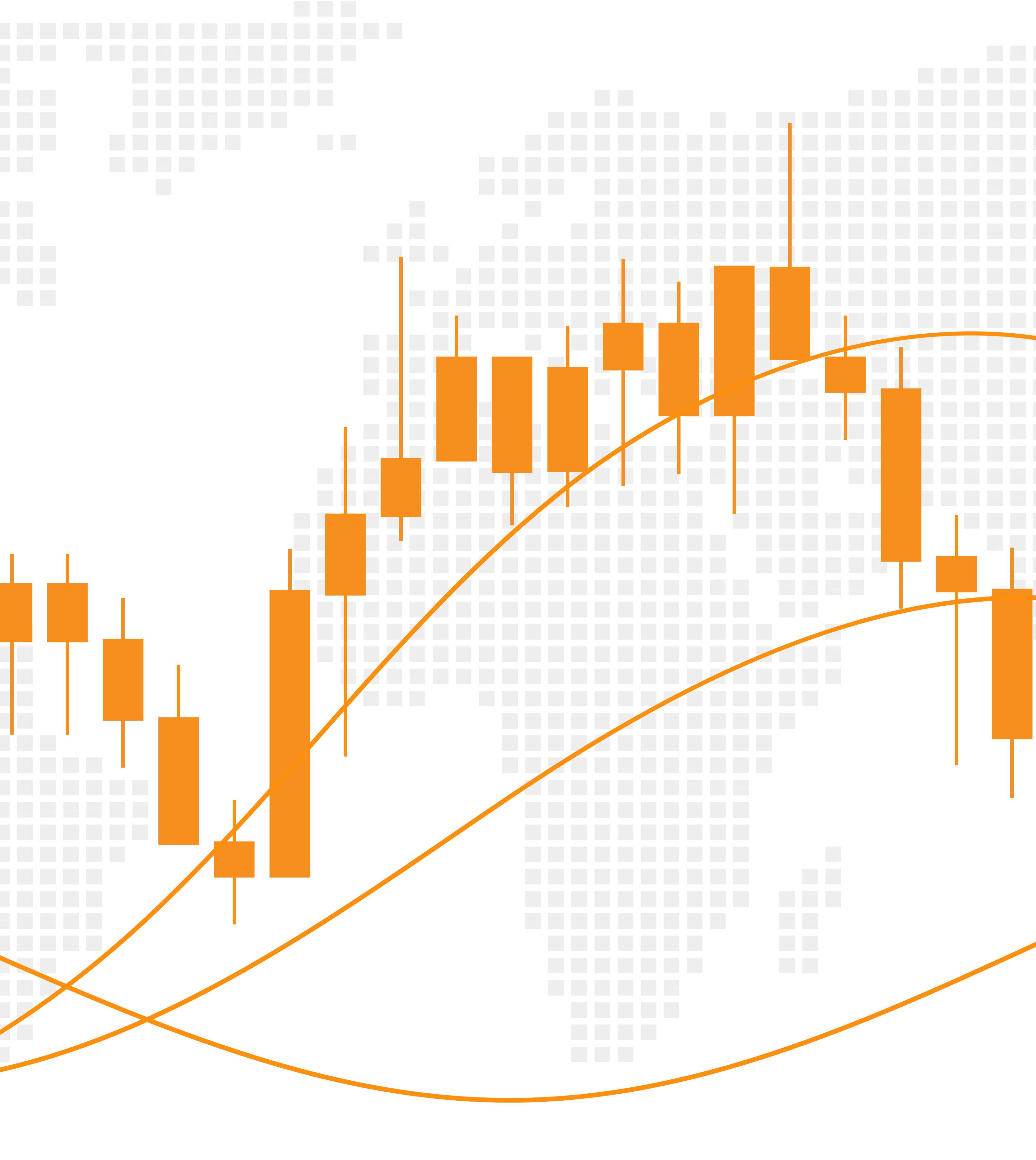
VIP Bonus: Click here for an inside look at Jared Martinez's FX Chief's Boot Camp Manual to see Daily Rituals 1-3.

30-Day Financial Return Formula Lessons

Congratulations!

Now that you've made the decision to take action and control over your trading returns, let's make sure that we tackle it with measurable, small steps toward great success. As the FX Chief™ says, practice doesn't make perfect; perfect practice makes perfect. The key in finding success with this 30-day challenge formula is to work on the fundamentals first and then move onward.

WEEK #1



Each day, there's another short lesson, taking you through the basics to the mastery-level trading lessons designed to lessen your learning curve in the markets and accelerate your way to returns faster.

1 When in Doubt, Journal it Out

Keeping a trading journal is a great way to focus in on your strengths, identify your weaknesses and ensure that no matter what happens in your trade, win or lose, you walk away with a win. As the saying goes, in your trades you always win -- either pips or experience.

What is a trading journal and what should you track within it?

A trading journal is your guiding light once you start trading and is a great practice for any trader, from novice to professional. It's a place to house your logic for your trades.

Immediately after you place a trade, note why you chose to enter that trade. Explain why you determined that particular exit. What attracted you to that trade? What points of proof pushed you to execute that trade? What did the technical analysis say?

Determine an organizational method early. Either organize by day or by currency for the best results. If you do not determine how you'll organize this journal early, it can quickly become overwhelming to go back and review what you've learned from it.

Once the trade is complete, go back to this page in the journal. Did everything pan out or is there room for improvement? At this point, in the post-trade phase, it's easier to identify what might have went wrong and how to avoid that same mistake again. You can also identify patterns of what you did correctly over time when referring to journal entries about winning trades. This is the first step to identifying pieces of your Forex success formula.

How often to journal:

Many experts suggest journaling with every trade you place for the first few weeks. The most disciplined traders continue to do so as long as they trade. For this 30-day challenge, make sure to complete an entry for every trade, placed in either your live or demo account, through the full 30-day program.

Some traders keep an "epiphany page." It's a place where you write specifically what you learned and you can leave notes for yourself to go back to past pages where you specifically learned that lesson for details. This sheet is a good quick reference to be used as a baseline for placing future trades.

2 Go Big Before You Go Home

Have you heard the parent-child time frame analogy?

It's simple really. The best of the best traders look to the larger time frames to tell you what the smaller time frames are going to do. Essentially, the larger time frames, like the monthly time frame, daily time frame, weekly time frame and even hourly time frames parent the smaller time frames. They set the foundation for what will happen on the smaller time frames. They set the schedule. They set the overall tone of what the children are going to do as they guide and nurture them.

The smaller time frames, from an hour down to the 5-minute time frame will always reflect what's happening on the larger time frame, but on a much smaller scale.

Why does this matter? Because if you can accurately identify the overall market direction on the larger time frame, you could use that information to find good entry and exit points on the smaller time frame. You use the market direction on the larger time frame to identify shorter-term trades.

Here's an example of what a larger time frame direction looks like when you use it to find a trade on a smaller time frame:

3 Protect Your Ass(ets)

Equity management is usually taken as this wet rag on the whole concept of trading, but it's really one of your best secret weapons to growing your trading account, rather than making some profits to later watch the entire account self destruct.

One major key to equity management is simple: understanding the right lot size for you (and knowing when the concept of "right" may change as your account grows and can handle more risk, to generate higher rewards).

The Ultimate Traders Package on Demand™ and The Ultimate Options Course teaches that a trader should never risk more than 5% of their trading account in any given trade.

What does this look like? Let's do the math:

100K Lots - $10.00 per pip; 1 currency					
In Margin	$3,000	$5,000	$15,000	$20,000	$25,000
Dollars Risked	$500	$500	$500	$500	$500
% Risk to Margin	16%	10%	3.33%	2.5%	2%

Mini lots - $1.00 per pip; 1 currency					
In Margin	$1,000	$2,500	$5,000	$10,000	$15,000
Dollars Risked	$50	$50	$50	$50	$50
% Risk to Margin	5%	2%	1%	.5%	.3%

100K Lots - $10.00 per pip; 6 currencies, 50 pip protective stop losses				
In Margin	$15,000	$20,000	$30,000	$75,000
Dollars Risked (6 Lots)	$3,000	$3,000	$3,000	$3,000
% Risk to Margin	20%	15%	10%	2.5%

Mini lots - $1.00 per pip; 6 currencies, 50 pip protective stop losses				
In Margin	$3,000	$5,000	$10,000	$15,000
Dollars Risked (6 Lots)	$300	$300	$300	$300
% Risk to Margin	10%	6%	3%	2%

6 Mini Lot Currencies at a Time With 50 Pip Protective Stop Losses

In Margin	$2,000	$3,000	$5,000	$10,000	$15,000
Risk 50 pips (6 lots)	$300	$300	$300	$300	$300
% Risk to Margin	15%	10%	6%	3%	2%
# of Losses in a Row You Can Endure with a Minimum of $300 per Lot or $2,000 in Margin	1	4	10	27	44

Today and for the remainder of the 30-day challenge, ensure that you're only considering and placing trades which follow this rule. Use this lesson to rule out trades that might be too risky for your account as an attempt to protect your profits and ability to continue trading for the long run.

MTI students: Get the full breakdown in your Online University, Lesson 6 of The Ultimate Traders Package on Demand™.

4 ~~Bad~~ Good Things Come in 3's

Have you heard that bad things come in 3's? Forget about it!

When it comes to this market, we often talk about "proof points." In plain English: You want to find as many signs that the market's going to go your way as you can before you even consider taking the trade. Each sign is a point of proof.

Expert traders, even with 6-figure trading accounts, don't take trades that don't have a high percentage chance of winning for them. Tying up account funds in an iffy trade simply isn't worth it, no matter how big the trading account is.

As a rule of thumb, look for at least 3 signs or points of proof before considering placing a trade.

As a rule of thumb, look for at least 3 signs or points of proof before considering placing a trade.

Some points of proof could be that the support and resistance levels for that position are in line with what the Stochastic RSI indicator is showing and then this also aligns with the candlestick formations you're seeing. Also, don't forget about trendline breaks and formations like the head and shoulders and the kings crown. All of these indicators act as those points of proof.

What do you do when you have the proof?

You've officially found a highly qualified trade. The more qualified the trade, the more likely your position will be a winner and the more confident you can be in executing that order.

5 Don't Let Fundys Fudge Up Your Trades

Even though we always want to trade based upon the technicals, neglecting to look at when fundamental announcements might come out in the countries of the currencies you're trading could be a dire mistake for your trades.

You see, when fundamental announcements come out, market volatility typically goes into overdrive. When this extra power surges through the markets, your technically sound stops and limits might be hit too quickly and cost you pips. Can this be avoided? Absolutely. Keep an eye on the fundamental announcements calendar. When you see that an announcement is coming up, slightly move your stops and limits out further than where you would normally to accommodate for the expected fluctuation. This way, you don't get stopped out of a profitable trade too soon in a situation where you could have anticipated a market pop.

6 A Tisket, a Tasket, A Green and Pip-Filled Basket

Few, if any, traders want to trade because it's "fun." Golfing is fun. Watching football is fun. Going out on the lake is fun.

Busy traders trade baskets.

When you trade, you want to make money. Simple and to the point profits is the goal.

But when you have 10,000,000 responsibilities and meetings and the dog needs to be fed and the kids need to go to soccer practice and the fridge is empty, it's easy to say that you can't make any substantial, lifestyle-changing profits because you're simply too busy.

Well, there's a trick around all of that.

Busy traders trade baskets.

The gist: You analyze an index, say the USDOLLAR (see chart on page 18). Using the market direction you identify on that single chart, you group your USD currency pairs, such as the USDJPY, USDCHF, USDCAD, EURUSD, GBPUSD, AUDUSD, and the NZDUSD into two baskets.

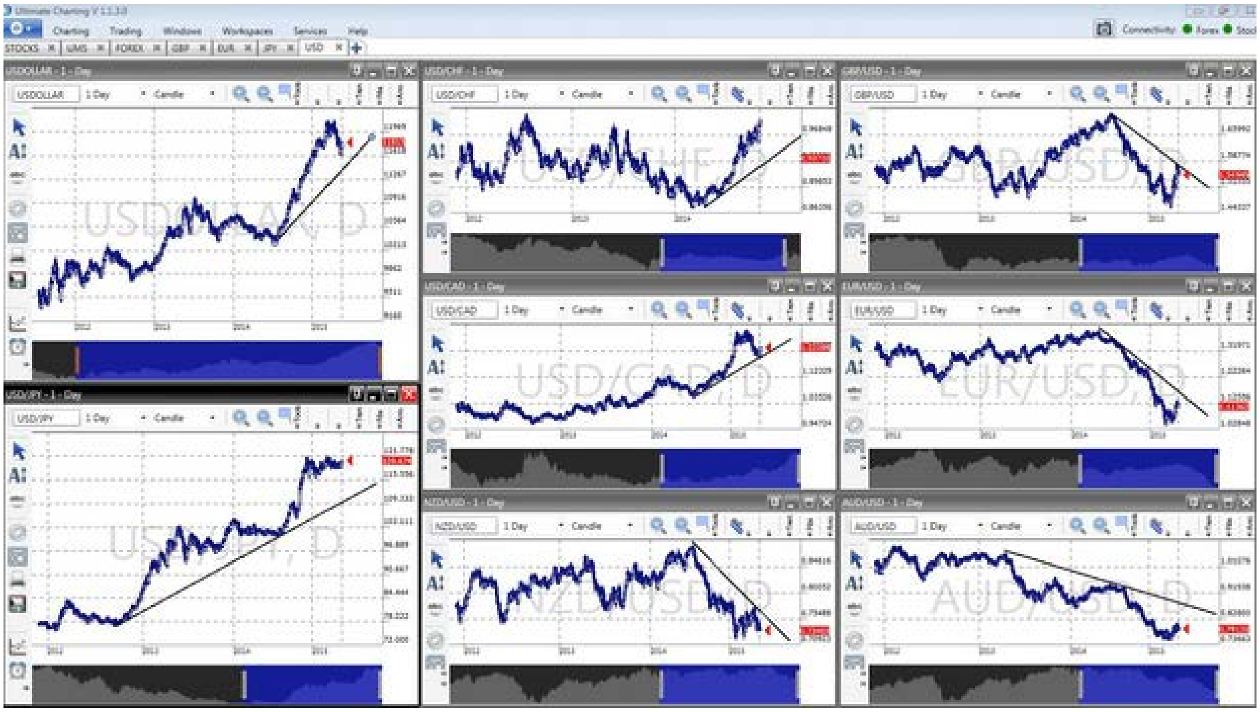
One basket: Those in which the USD is your control currency, ergo, the U.S. dollar is the first currency in the pair's name.

The other basket: Those in which the USD is the pegged currency (more commonly called the quote currency) -- the second currency named in the pair.

When one basket rises, the other typically falls. The reasoning: Because if the USD raised in value as a currency in and of itself (what you would see on the index chart), chances are that pairs where the USD is the control, the market will move all currency pairs in that basket upward. The opposite then becomes true in pairs where the USD is the pegged currency. As the USD gets stronger, it pulls the other currency in that pair downward.

Why this is important?

Basket trading gives you more bang for your technical analysis buck. If you can identify the overall market direction on the index, you could effectively trade up to 7 currency pairs on that information. Read: 1 leading chart, 7 potentially profitable trades.



7 Distance Makes the ~~Heart~~ Profits Grow Fonder

Remember in lesson 3 when we discussed equity management as being about trading specific lot sizes? Well, there's one more side to equity management (risk management) in your trades to consider. That side is the risk to reward ratio. (Oh, no. Ratio? Does that mean math?)

When you're ramping up your trades, internationally recognized trader, Joshua Martinez, suggests that he would not risk more than 1 to 1-1.5.

To do this, you'll want your distance between your entry point and your limit to be greater than the distance between your entry to your stop. The distance between the entry and limit is your reward. The distance between your entry and your stop is your risk, or how much you're willing to lose in chasing the reward in the trade.

Why 1-1.5?

If your risk is greater than your reward, you could be rationalizing yourself into trading situations where you have no room to be wrong. Most traders are wrong roughly 70% of the time. In knowing that you will lose, from time to time, you must be cautious about which winners you're chasing. If you want to build your account and withdraw profits, you must consistently compound winners, not constantly try to catch up from losses. This is an easy rule of thumb to make sure that you do just that.

Pictured (left to right) Chris Pulver and William Gallagher toning their muscles and their trades.

END OF WEEK 1

You've made it through week 1 of the 30-Day Forex Return Formula Challenge.

We've been through a lot so far and, we're just getting started.

Did you know that you can get your questions answered, see more tips and trading tricks and get up-to-the-minute market news by connecting with us on social?

Use *#ToneYourTrades* to join the trading challenge conversation.

WEEK #2

What's Happening Here?

MICHAEL TAWILL shows ***JAMES BISHOP*** a thing or two.

8 The Profit Zone

There are just two steps to getting in the "profit zone."

Step 1: Find the market zone, be it the buy or sell zone.

Step 2: Trade in that zone. When you're correct, you're in the profit zone.

Over-simplistic? Yes.

Accurate? Yes.

Easier said than done? ...Yes.

See how to find the buy zone versus the sell zone here.

9 Never Chase a Win

Want to know the quickest way to watch your trading account self destruct?

Chase the win.

It's one of the easiest traps to fall into when your emotions run high in your trades.

> "The market's never wrong. Your job is not to teach the market the lesson. The goal is to work with the market, learning its lesson for you. Never trade with the intention of making the market go your way. Trade with the way of the market."
> - Jared Martinez, FX Chief™

It looks like this: You're in a trade. You're confident and adamant that you're correct in your assessment of the market and then it happens. You're staring at the chart as it moves the complete opposite direction, limits you out and then moves quickly back in your direction.

You see red.

You scramble, placing the trade again in the middle of the move, maybe even throwing more money in your trade to make up for the loss...

Wrong again.

Now, the market reverts back to the original trend (the trend where you were limited out earlier). Bam! You're losing again... Worse yet, you're now losing more than you would have originally.

You see, when you emotionally invest in your trade, you make mistakes. You cannot chase a win. When you decide to re-up the trade or act brashly, you're throwing your account in the fire. You're no longer trading... You're gambling for returns. You're letting your pride determine the trend you'll ride rather than the technicals and you're out to prove the market wrong. As the FX Chief™ says: "The market's never wrong. Your job is not to teach the market the lesson. The goal is to work with the market, learning its lesson for you. Never trade with the intention of making the market go your way. Trade with the way of the market."

Each day, there's another short lesson, taking you through the basics to the mastery-level trading lessons designed to lessen your learning curve in the markets and accelerate your way to returns faster.

Live to trade another day. If you were smart with protecting your account with the equity management techniques we discussed earlier, you should be able to manage that amount lost because you have already determined that that amount of risk was something you could stomach. Chasing the win puts you at risk for losing more than necessary, giving you less funds to work with in future trades where you might win that money back.

Stick to the plan, man! Stick to your trading plan. Accept a loss and move on to the next trade.

10 Seeing Double: The Candlesticks Lesson

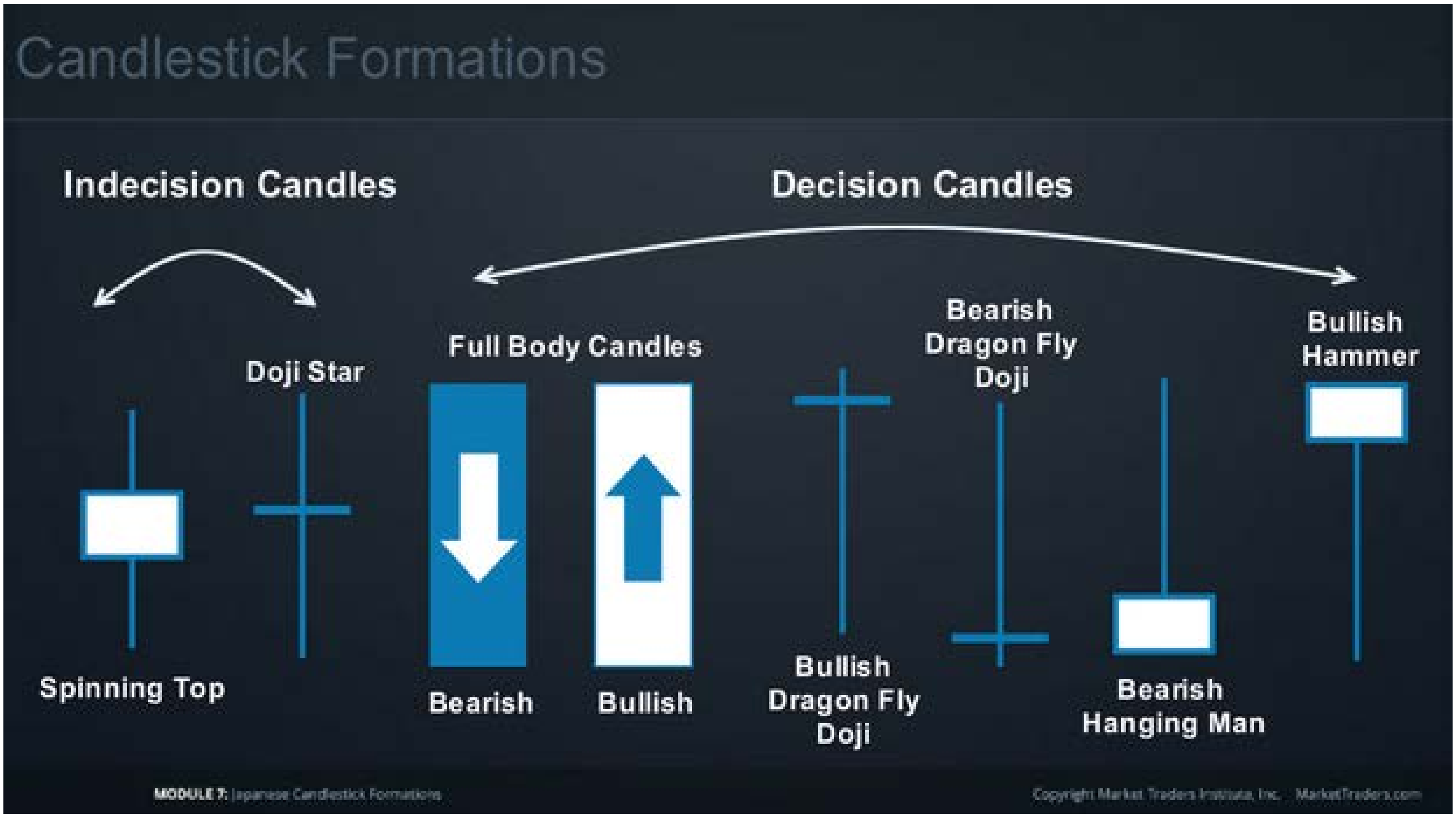
There are 2 main types of candlesticks to learn: the indecision candlestick and the decision candlestick.

The Indecision Candlestick

This is a candle that does not offer a clear direction. It typically is seen by equal wicks (the long lines that come out from the body, or solid portion of the candlestick). When you see these candlesticks, it might be in your best interest to hold off on trading until a more decisive candlestick can give a clear sign of the market's direction.

The Decision Candlestick

Luckily as a trader, there are more decision candlestick formations than there are indecision candlestick formations. Decision candlesticks usually have a wick that is very long on either the top or bottom of the candle's body while the wick on the other side of the body is short. You can use this long wick like an arrow, pointing you in the direction the market wants to go next. On the other hand, you might have a candle with little to no wick at all. This is also a good sign of future market direction. These full body candles will either be above or below the previous candle or sometimes embody the previous candle. The place where this candlestick falls on the chart is your indicator of future market direction.



The Ultimate Traders Package on Demand™ students: For full lesson details and instructions directly from the FX Chief™, review Lesson 7 in your Online University.

11 The Dollars are in the Details

From the desk of the FX Chief™:

When I first started trading, the big thing was finding head and shoulder patterns.

You're taught to trade a "neckline" for finding a low near the level of the past low in the market. You then sell once the market approaches that neckline. The problem is that when I sold the low during the uptrend, I was entering too soon. The market would break the neckline and change direction, leaving my trade in the dust and stealing my pips. Needless to say, it didn't take me long to figure this out and wise up.

The solution is the *Kings Crown Strategy*.

The key is not trading before the neckline. The dollars are in the details of the neckline.

The neckline is still important, but you want to trade the break of the neckline and not a moment before. Let me show you in this quick video lesson.

Watch Video Now

12

Bank on the Few 100% Guarantees in the Market

Each trading day, you can 100% bank on one thing. The market WILL form a high and it WILL form a low. Now, don't get caught up on these highs and lows. That's not where the money is. The money is in being able to tell whether you've hit a high or low for the day and then trading the wave patterns between that peak or valley to the corresponding high or low. Here's where it gets dangerous. In these waves, the market will form minor highs and lows along the way.

Here's what you do:

The best way to find the daily high or low (the point where the market's going to reverse and you're going to look to place your trade) is to look at the market's prime time. Given the three market sessions (the European session, the U.S. session and the Asian session), the European session is known for having the most directional movement, setting the tone for the day and where that first daily high or low will form between the hours of 3 a.m. and 8 a.m. Eastern Time.

You can expect that the U.S. session will hold the market direction and the next reversal point will likely be reached before the slow-moving Asian session takes over in the late afternoon.

This is the bare-bones version of finding the market highs and lows for determining daily trading direction.

This basis is the core of The London Daybreak Strategy -- the key to trading for a profit nearly any given trading day. See what it looks like using real-life market examples in this instant video lesson.

Pictured (left to right) Michael Tawill, James Bishop, Chris Pulver and William Gallagher.

13 Ancient Math Formula = Accelerated Profits

Have you heard the name Fibonacci before? Probably in middle school math class this name came up and you learned the perfect ratio for a pretty face or something you wrote off almost immediately as another load of useless garbage you'll never need again in life.

1+1=2

1+2=3

2+3=5

3+5=8

5+8=13

8+13=21

13+21=34

21+34=55

34+55=89

55+89=144

89+144=233

144+233=377

... to infinity

BUT, THIS SEQUENCE TO THE LEFT CAN BE YOUR KEY TO ACCELERATED PROFITS IN THE MARKET:

The key is knowing how to apply the Fibonacci sequence to your trades. This sequence has another nearly miraculous trait about it. You see the first 7 numbers in the sequence? Let's start dividing them...

For example: 144 + 233 = 377

Divide the sum (377) by the first number of the sequence (144) and you get 2.618 (remember this number; it's important).

If you ***divide*** 233 by 144, it will ***equal*** a ratio of 1.618.

If you ***divide*** 144 by 233, it will ***equal*** a ratio of 0.618.

If you ***divide*** 144 by 377, it will ***equal*** a ratio of 0.382.

It doesn't matter where you start in the sequence -- the ratios stay the same. These ratios are what you'll use to find entries and exits in your trades.

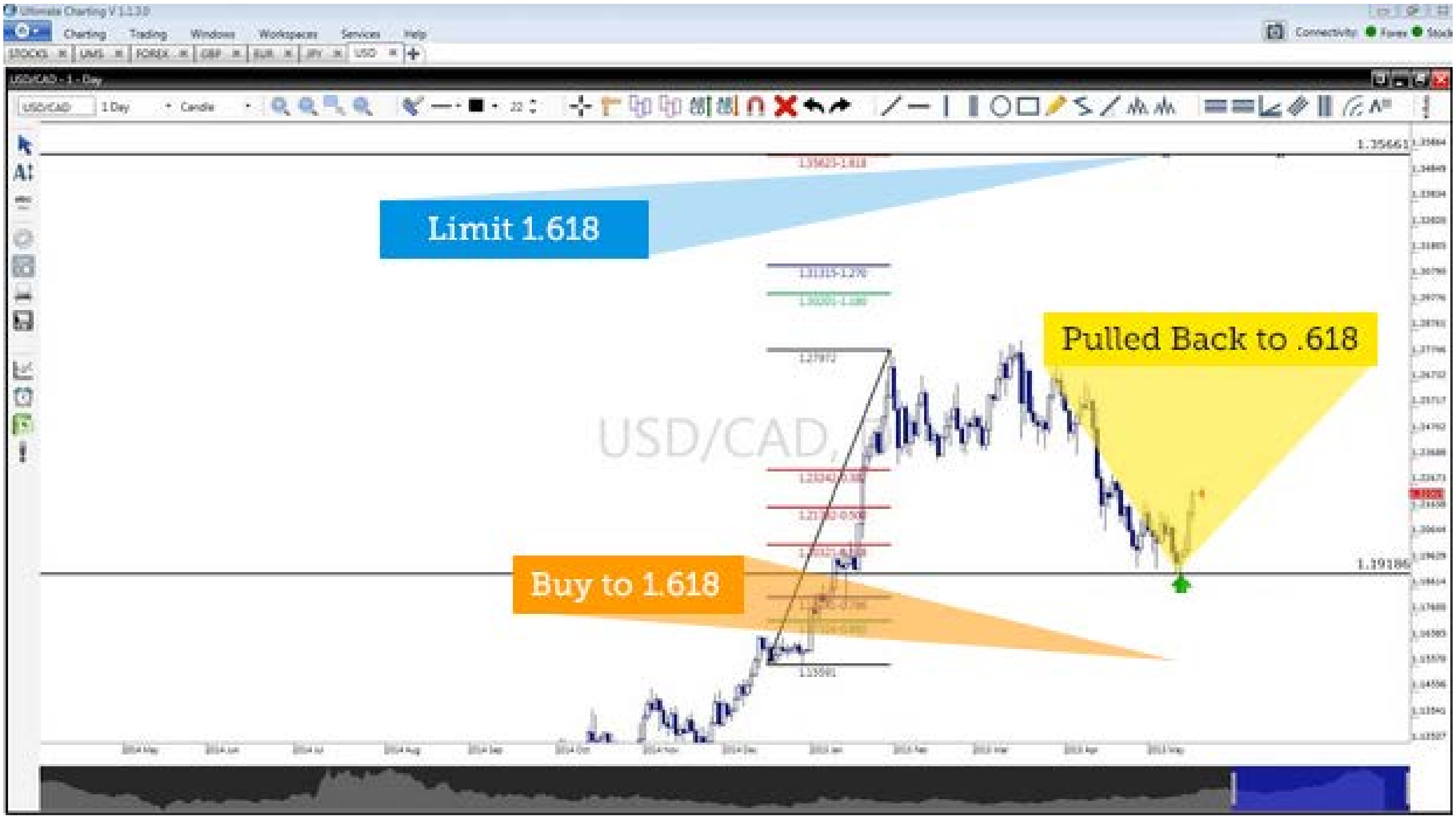
THE 6 RATIO NUMBERS YOU NEED TO KNOW:

(You are probably wondering where the 0.50, 0.786 and 1.27 came from. The 0.50 comes from taking the sum of the three numbers and dividing them by two. The 0.786 is the square root of 0.618. And, 1.27 is the square root of 1.618.)

0.382	0.786
0.50	1.27
0.618	1.618

When the market hits one ratio number, you plan to trade to the corresponding number.

Continued...



Want step-by-step instructions? [Watch the bonus Fibonacci Golden Ratio training video here.]

14 You Have to Get Picky Before You Get Profits

Picking a trading strategy is not for the weak.

There are many ways to pick a strategy, but here are some tips to help you focus your search and find a strategy more quickly:

> ***Tip #1:*** Determine if you are better suited for market scalping, swing trading or position trading. Each style involves different time frames in cashing out of the trades, different technical analysis time frames and different trade frequencies you'll need to actively sit at the computer and trade.

> ***Tip #2:*** Test the strategy out. This means giving it a fair shake. The rule of thumb is to test it out on a minimum of 10 trades to account for market strangeness (so you don't pass up a great

strategy due to awkward market conditions that don't necessarily reflect the norm). Also, this means going through ALL of the motions including executing the trade. Jared Martinez always tests new strategies in his practice account. Some traders choose to test strategies in their live accounts, but by trading micro lots to limit the amount of risk and loss during the strategy practicing/testing phase.

Tip #3: Follow the rules. The testing phase is not meant for tweaking. As the saying goes, you can't break the rules until you've mastered them first. Test out the strategy, step-by-step, for the first ten (10) trades. If you keep the strategy, then start tweaking it if need be, or stick to what you've already seen proven to work.

Tip #4: Judge the strategy's success off of pips, not dollars. We always want to make sure that we're comparing apples to apples, not apples to oranges. Choose pips over dollars because the dollar signs change with the lot size being traded while the amount of pips does not.

The Ultimate Traders Package on Demand™ students: For full lesson details and instructions directly from the FX Chief™, review Lesson 11 in your Online University.

HALF WAY POINT

From the desk of the FX Chief™:

That's it. You're now *14 days* into the 30-day challenge. You're roughly halfway through and making great strides.

Now is really crunch time.

If you're anything like me, you're either pumped up and ready for more or you're at that, "if I stop now, will anyone notice?" point.

Let me tell you right now... Don't quit.

If this is you, read this...

Author Steve Siebold said,

> "Living in fear isn't living; it's surviving."

Wow! I mean is that really what is happening? Simply surviving?

All this month, you've taken steps to completing the challenges, studying the lessons and making open, outward steps toward change so that you don't have to just survive in this market any longer.

If you want to make a change, and I mean REALLY want to, don't quit now.

You're already farther than some traders will ever make it and that says something about you.

Something they can't take away from you.

You have drive.

Some call it grit.

I call it your key to making millions, IF you don't squash it.

You must protect that perseverance.

You must exercise it.

You must recognize that it's what is going to help you make every dream, goal, milestone you put your mind to come true.

I do these things called "Chief Chats." They're just little videos of inspiration, motivation and focus.

One of my favorite ones can be found here (it's on identifying your limits and making plans to defy them -- exactly what you've been working on in this challenge):

Watch Chief Chat Now

I want to help in anyway that I can. If you need anything at all, I'm on Facebook, Twitter, LinkedIn -- the whole shebang.

I look forward to seeing more of you and helping you defy your trading limits to reach higher highs!

To health, happiness, and profitable trades,

Jared Martinez

-FXCHIEF

WEEK #3

A+

15 Can Your Trades Make the Grade?

Smart investing is synonymous with strategic trading. Everything from the currency pair you analyze, to the stop and limit on your trade, should involve a well-organized process of steps that ensure that you're evaluating the right elements of the trade, protecting current profits and taking only meticulously calculated risks in order to generate more profits.

While this sounds like the boring side of trading, it's really not.

Once you get into a proper "trade grading" routine, it's simple, fast and it could be your trick to trading time-sensitive setups faster and with higher success rates than you are at right now.

Check out the Grade Your Trade Checklist Cheat Sheet here.

16 Investigate the Indicators

Indicators are like having superpowers in the market. They make you faster. They help you see what you wouldn't see otherwise. They help you win battles you might not have the advantage to win otherwise.

Indicators are like having superpowers in the market. They make you faster. They help you see what you wouldn't see otherwise. They help you win battles you might not have the advantage to win otherwise.

With that said, if you've ever searched Google for Forex indicators, you've probably seen that there are hundreds if not thousands of indicators out there. And, not all indicators are created equal.

What's a trader to do?

Simplify. Focus. Trade.

Here are the 2 secret weapon indicators to master today:

STOCHASTIC RSI

What's in a name? It means Stochastics Relative Strength Index. In layman's terms: it tells you when the market's oversold or overbought. If the market is either of these things, it's likely to reverse and you can use this to plan to trade either the pending sell when the market is overbought or the buy when the market is oversold. Maybe most importantly, this indicator is not only important when you're looking to place a trade, but it could save your trade if you're in a position that might be wiped out by a pullback when the market's in these overbought or oversold zones.

AUTOMATED TRENDLINES

In Lesson 2, we talked about the larger time frame controlling the smaller time frame. Well, automated trendlines are a great way of putting that logic to the test. Using automated trendlines like the T3 Tilsons, you can quickly see long-term and short-term trendlines on any chart. Essentially, turning these on while reviewing any chart could show you what the trend looks like on the larger time frames or smaller time frames, so you know what direction the market might go next -- without having to switch back and forth between a handful of charts. Traders love automated trendlines for quick analysis and finding exit points on the charts.

The Ultimate Traders Package on Demand™ students: For full lesson details and instructions directly from the FX Chief™, review Lesson 12 in your Online University.

17 What's the Best Indicator Set? How You Can Tell Right Away...

Indicator sets have their advantages. They could help you tighten up the time it takes you to analyze the market and serve as another point of proof (remember Lesson 4?) You want a set that does most, if not all of these things below, while some systems will specialize on one or another of these areas.

The most important thing: You increase your probability of success because you're aligning more stars with your set when you can find a consistently profitable system that does all of these things.

> ***Volatility Systems:*** A system designed to identify volatility in the market, telling you if the market has a greater chance of continuing to come up or if it has peaked and if it's going to start to fall.
>
> ***Breakout Systems:*** These systems have algorithms to alert you when the market's going to break out. By using multiple moving average indicators, it could help pinpoint areas to watch for as you wait for the breakout point to hit, so that you can execute your trades the second the market's ready.
>
> ***Stop and Reverse Indicators (SAR):*** These systems typically use two types of indicators, perfect for showing when the market's in a retracement or an extension. If you're new to using these indicators, here's a trick. Most of the time, if the market's in an uptrend (what your personal analysis will tell you) and the indicator is green, you could begin looking for entries in buying positions. The indicator is signaling that the market's in an extension zone. If it's red in an uptrend, hold off. The market's in a short-term retracement. Market in a downtrend? Reverse the logic and you're set.

One of the best indicator sets out there that covers all of these in one is the FX Turbo Trader.

18 Set or System?

While some traders use the terms indicator set and system almost interchangeably, they are two very different things, each serving their own function in your trading routine.

An indicator set helps you with your hands-on analysis, helping you find entry points, exit points, etc. on the charts. Examples of indicator sets include FX MVP, the 2040 Frankfurt system/strategy and the FX Turbo Trader.

On the other hand, an automated trading system does all of the work for you. You can set it up, turn it on and let it run on its own -- no hands-on work required. You can quite literally set it and forget it.

There are pros and cons to each and it's important that you explore these things before you decide which you're going to use or what the perfect combination of both might be for you.

Automated systems are great for busy traders who don't have time to fiddle in the market, but still want returns. On that note, many times traders turn them on and do FORGET them. This can be dangerous. Systems are typically reliant on specific market conditions -- good traders know that market conditions change from time to time. If you do forget the system and do not check in regularly to see its progress and performance, you could have a system that's eating away at your account. Unfortunately, some traders reach this realization too late.

As for indicator sets, you do have to put in more time. Reviewing the alerts and trading accordingly is just a part of the deal. They typically do not have an autopilot function. However, the extra set of eyes and having you be the final call on whether or not you execute the trade based upon the signals is a plus many traders who rely on indicator sets swear by.

19 The 3 Main Market Conditions for Fine-Tuning Your Trades

Remember in Lesson 18 where we learned that market conditions are known to change? Well, despite the changes, there are 3 main market conditions you'll see regularly and, with the right preparation, you can fine-tune your systems to work for each, helping you be prepared for nearly anything the market throws your way.

The 3 Conditions:

TRENDING:

This is when the market's moving in waves. There's either an uptrend or a downtrend by technical analysis standards. The market's either being controlled by the bulls or the bears. A trending market has an identifiable direction.

LARGE CONSOLIDATION:

Ever seen the market move in a channel? Bouncing from ceiling to floor over and over again? You typically see this market condition during the summer months. For a large consolidation, you'll see big bounces within the sideways-moving channel, equating to about a 50- to 100-pip range.

SMALL CONSOLIDATION:

Just like large consolidation patterns, a small consolidating market is stuck in a channel, moving mainly sideways with the candlesticks. However, this channel is typically tighter, with room between the ceiling and floor only consisting of about 20 to 40 pips.

Extra Credit: The difference between large and small consolidation DOES NOT involve how long the consolidation has been going on; it involves how large the waves inside of the consolidation channel are.

The Ultimate Traders Package on Demand™ students: For full lesson details and instructions directly from the FX Chief™, review Lesson 8 in your Online University.

20 The Second's Notice System Plan

In the Forex market, things can move very quickly.

Market conditions change and the faster you move, the less likely you're to be swept away by the market and most importantly, the better chance you have at cashing in on your preparedness.

In Lesson 19, we discussed the 3 main types of market conditions and how you can eyeball them on your charts. For this lesson, it's simple really. For each trading system you know works and are comfortable with using (remember, trading's all about your goals, your techniques and what works for you as an individual trader), see if you can find a system that you like for trading trending markets, then one that's unstoppable in large consolidation market conditions and yet another for when the market enters a small consolidation. A little forethought now can help save you headaches and get you profiting more quickly later.

21 Using the Stochastic RSI

Earlier this week, you got a sneak peek at the Stochastics, but as a leading indicator used in various financial markets, we want to delve a little bit deeper into how this indicator works.

Built on peaks and valleys, you have the middle zone (where roughly 80% of the market action is happening), peaks (the top 10% of the movement) and then the valleys (the bottom 10%).

Reading this indicator is simple. When the market's in that top 10%, the peak area, the market is likely overbought and getting ready to reverse.

The valleys are the buy zone, meaning the market is oversold and the bulls are about to take back over.

> The Ultimate Traders Package on Demand™ students: For full lesson details and instructions directly from the FX Chief™, review Lessons 11 & 12 in your Online University.

It's important to use other indicators such as candlestick formations and counter trendline breaks for more points of proof that the market's going to reverse as you learned in Lesson 4 of this ebook.

For more details on reading and trading using the Stochastic RSI, go here.

END OF WEEK 3

Signals. Indicators. Algorithms. Fibonaccis. Ratios... Overload.

Don't get overwhelmed. It's all simpler than it seems once you get your hands on it.

It's even simpler when you cheat the system.

See the automatic Ultimate Market Scanner that:

- Constantly reviews 20+ currency pairs in seconds
- Uses fool-proof algorithms to find high probability winning setups
- Organizes pre-buy and sell signals instantly, keeping you ahead of the market's most profitable moves
- Has an 80+% winning average

Fast. Efficient. Accurate Trades.

See it in action and learn more here:

Click Here to Learn More

THESE RESULTS ARE BASED ON SIMULATED OR HYPOTHETICAL PERFORMANCE RESULTS THAT HAVE CERTAIN INHERENT LIMITATIONS. UNLIKE THE RESULTS SHOWN IN AN ACTUAL PERFORMANCE RECORD, THESE RESULTS DO NOT REPRESENT ACTUAL TRADING. ALSO, BECAUSE THESE TRADES HAVE NOT ACTUALLY BEEN EXECUTED, THESE RESULTS MAY HAVE UNDER-OR OVER-COMPENSATED FOR THE IMPACT, IF ANY, OF CERTAIN MARKET FACTORS, SUCH AS LACK OF LIQUIDITY. SIMULATED OR HYPOTHETICAL TRADING PROGRAMS IN GENERAL ARE ALSO SUBJECT TO THE FACT THAT THEY ARE DESIGNED WITH THE BENEFIT OF HINDSIGHT. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THESE BEING SHOWN.

22 Channel Surfing FX Style

From the Desk of Joshua Martinez:

As a trend moves, it tends to move inside trading channels.

Trading channels occur when the market is moving at an up or down angle inside two trendlines.

Think of it like this: your trading opportunities are a freight train and the trendlines are like the tracks. Trendlines encourage your trading train to move inside the levels of resistance and support.

But unlike train tracks, trendlines can be easily broken. For example, if your trendlines are moving up, or a downtrend breaks a trend in and it stays in place, the trading channel will shift.

Take a glance at the image below.

Can you see how a trading channel has shifted in the chart above? You can see how the market has moved from a Bearish Trend to a Bullish Trend. The channels move with the market, keeping everything in line. Trading channels can help determine not only trend direction, but also breakouts of consolidation and different consolidation patterns.

I realized once I was able to distinguish trading channels effortlessly, my ability to determine where the market was going next vastly improved.

Paying attention to trading channels alongside other key analyst insights could prove to be extremely helpful in helping you become the conductor of your Forex trading freight train!

23 Tackle These 3 Trendlines. Trade for Account Higher Highs

It pays to get back to the basics with your technical analysis.

Instead of suffering through analysis paralysis, focus on these 3 trendlines on your charts:

LONG-TERM TRENDLINE:

The overarching trendline, typically derived from the larger time frame and carried onto your smaller time frame chart to locate entries. Watch this line for large breakouts in the market. Once this trendline is broken, the long-term trend is expected to shift, giving you a heads-up of potential setups along the new trend the moment they happen.

OUTER TRENDLINE:

Also a measure of the long-term trend, this line typically settles within the long-term trendline. Use this trendline to determine where the trend direction is, whether you're in a true reversal or not.

INNER TRENDLINE:

This is the most aggressive of the three trendlines. Maximize what it shows you on the charts to identify short-term movements and entries and exits on those retracements and extensions.

Continued...

Exercise: Pull up any chart on any time frame. Draw these three trendlines on the chart. Submit the chart to MTI's Facebook page with #ToneYourTrades to have an expert check your work now.

The Ultimate Traders Package on Demand™ students: For full lesson details and instructions directly from the FX Chief™, review Lessons 4 & 5 in your Online University.

24 The Trend is Your Friend, Until it Bends

When you learn about trendlines and reversals (pivot points as some call them), there is a condition where a trader gets a little over-zealous.

Remember this rule of thumb... Trendlines can be broken, but that doesn't mean that a reversal is happening.

How you can tell that a broken trendline means a reversal:

Focus on the long-term trendline. If the long-term trendline is broken, a reversal might be occuring. At this time you would want to evaluate the candlesticks and find other reversal indicators to verify that reversal.

Short-term trendline breaks are still important and should be monitored, but those trendlines often break without a reversal following shortly thereafter. Many times, a broken short-term trendline is still followed by a continuation of the uptrend or downtrend.

25 Once Your Greed Exceeds Your Need, Your Trades Are

Going to Bleed...

Successful people are not driven out of control by emotional greed and are not tempted to act before properly planning.

The same can be said about successful traders. A true market predator will look at their capital preservation before jumping into any trade.

They analyze the potential risk and plan for how much capital they could lose if things don't work out the way they predicted. A trade is just one trade and traders will make thousands of entries throughout their careers.

Bottom line: Trading should never mean gambling. Successful investors know this.

A lot of time and strategic effort must go into placing a successful trade and it's very hard to do that when you're blinded by greed. So, focus on the process and perfect your analysis. I have found success will follow.

I've seen this too many times: market conditions seem to be moving steadily along in a bullish or bearish movement and a trader's adrenaline kicks in. They think to themselves: "Wow! I can make so much money here." Then, they rush to place a trade in that direction.

This way of trading is a trap -- it's set up by greed and a lack of solid market analysis and to be honest, it's just plain foolish. There are so many analysis tools and indicators nowadays, you'd have to be crazy to not fully consult past market movements and past data prior to entering the market.

Avoid feelings of greed by trading by the chart and not by your heart!

26

If it Doesn't Break the A, It'll Go Your Way...

So you set your Fibonacci sequence (check out Lesson 13 for a refresher) and find your A and B points on the chart. Then, you enter your position and watch. Like a hawk. A very, very concerned hawk. (Wait, you're still blinking, right?)

When the market lingers around the B level, it can be hard to tear yourself away.

This simple saying, coined by Joshua Martinez, says:

"If the market doesn't take out your A, it's going to go your way."

Exercise: Test it out on the charts. Go backward to a past movement. Draw the Fibonacci numbers. Place the A and B on the charts. Scroll forward.

Once you're a believer in the truth behind this saying, you will be more confident in your trades, worrying less about the movement for trades you're already invested in, allowing you to find your next trade.

27 Running Down Returns on Reversals

When the market makes a major reversal, some traders get scared. They let their emotions overtake them and they second guess their trading strategies.

Don't be that trader.

There's no need to be scared by reversals, especially when you could use Counter trendlines to help identify reversals before they even happen.

Counter trendlines could be used as a type of swing-trading strategy by finding points of proof that the market's going to reverse. Check out the chart below:

See the counter trendlines marked above?

Savvy traders use counter trendlines to profit from these market conditions, embracing the "ride the waves of the market" attitude and going in with a solid trading plan.

A smart trader would look at the chart and use the information provided by the market as part of a diversification and risk-reduction strategy. However, this is not a sure fire way to eliminate all risk.

Sometimes, a counter trendline does not play out as expected. In this instance, traders should consider backing their analysis up with additional strategies like stop losses and time-based exits.

BONUS: Want to learn more about counter trendlines and technical analysis tricks for finding setups fast? Download The Forex LifeLine eBook by Jared Martinez here (no coupon code required -- just yours free!)

28 Go on... Get Personal.

Now that you've made it this far in the challenge, you have a good idea of what works for you as a trader and what doesn't.

Don't take this knowledge for granted.

Experts like Joshua Martinez build what they call a Trader's Constitution that has a set of rules specifically designed for them to keep them trading at peak performance based upon lessons learned during learning phases like what you're doing through this challenge. Check out Josh's Trader's Constitution and take the time to build your own (DO NOT SKIP THIS STEP!).

Download Trader's Constitution

29 Pulling Out the Stops

You're well on your way to becoming a pro trader, but it's time to minimize the time it could take for you to reach your peak pip potential.

Some athletes take nutritional supplements to accelerate muscle development and overall performance. Did you know that traders can do the same thing?

Only this supplement isn't found at your local grocery store; it can be found right in your charts.

Say hello to stop losses.

Traders use this strategy to help them identify where the right and wrong opportunities lie before confirming a trade. In other words, stop losses help you establish a risk: reward ratio so that you could place a trade with confidence.

Our expert analyst Chris Pulver, exposes all the details during one of our #MentorshipMonday trading videos:

Watch Video Now

30 The 90% Rule for Winning Your Trades Before You Place Them

From the Desk of the FX Chief™:

Wow. Is it day 30 already? Time flies. And you my friend are almost done, but before I set you loose and we call it a day, I want you to know the #1, major, most important, critical -- I'm running out of words -- the #1 truth about your trades few traders will ever tell you.

I'm a firm believer that ***90% of your trade's success isn't based upon***:

your entry

your technical analysis

your timing

the market

your tools

your skills

your IQ

Are all of those things important? You bet.

Are they the end-all, be-all? NO!

There are not even close to #1.

I've seen that 90% of whether or not you win or lose a trade is based upon what's in your head.

Self-doubt. Second guessing. Fear. Greed. Sadness. Pride. All of these things will ruin your trade before you ever tell the broker to execute the position.

On the other hand, confidence, positivity, calmness, strength -- all of these things can and will help you win your trades.

Did you notice that that's what all of these lessons had in common?

You had to feel like you were learning from your mistakes to give yourself the confidence to move on to the next trade, so you kept a trading journal.

You had to take your emotions out of your trades so you learned to use trendlines and indicators.

You had to learn the logic behind the market's conditions, so you learned to label the market conditions quickly so that you knew you were working with the market and not against it.

You had to create a trader's constitution that broke free of the one-size-fits-all, cookie cutter trading garbage some traders try to push on you and that rarely works. So, you had to make sure that your mind was clear and you know that your 30-day formula created something that works specifically for you.

You see, so many traders get caught up in the technicals, the fundamentals and their past trades that they fail to see how their current beliefs and the things they keep telling themselves in their heads are actually keeping them from pulling the trigger on the right trades or making them stay in a position past when the rules tell them to get out.

If you take nothing else from this 30-day challenge, *let it be this...*

You control your destiny in this market.

Anyone can become a successful trader, but only those willing to focus on psychologically setting themselves up for profits by believing in themselves, taking the emotions out of the logical teaching game, and give up their pride to just listen to what the market's telling them will ever reach that point.

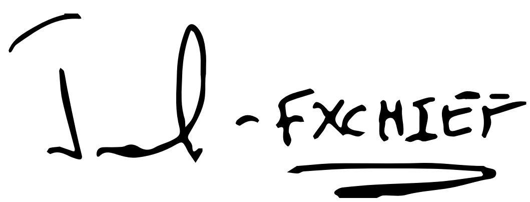
If you ever need a mentor, let it be me.

I've been where you are and I know the steps to get you where you're going.

If you need anything at all, reach out to me.

Your mentor,

Jared Martinez



FINISHER

You've completed Your 30-Day Forex Return Formula Challenge.

Can we get a high five?

Now, it's time to use what you learned on the market.

Before you leave, would you like to learn directly from a pro in real time?

See these lessons on the live market...

Get up-to-the-minute trade alert analysis...

Watch step-by-step training through some of the latest market tools traders are using right now...

All in a complimentary Forex webinar.

RSVP to a Forex Webinar

Again, thank you for taking the challenge and congratulations.

Your Forex Success Team,

Market Traders Institute, Inc.

Show Us Your Victory Dance

Post a picture of yourself or share your favorite moment (a chart, video from this ebook, etc.) anything that let's us know how much the FX 30-Day Challenge helped you.

Share Your Story


What's Happening Here?
THE FX CHIEF™ is proud of your big strides this month!