

Index

- Arbitrage, interest rate technique and, 193–200
- Ascending and descending triangles, 145–148
- Asian trading session, 29
- Australian dollar:
 - symbol and nicknames for, 15–16
 - /USD pair, 47, 48
- Average directional index (ADX) indicator, 61, 62
- Average true range (ATR) indicator:
 - FX-Ed trend technique and, 108–120
 - squeeze play and, 172–173, 176–179
- Back testing, 230–231
- Base currency, 16–18
- Bollinger bands, volatility and, 172–173, 176–179
- Boomerang technique, 201–205
- Breakouts, 20, 21
 - false, 93, 201–202
 - intraday, 145–152
- British pound, *see also under* Euro
 - symbol and nicknames for, 15–16
 - /USD pair, 45, 103–117, 121–125, 157–161, 176–179, 191
- Canadian dollar, *see also under* U. S. dollar
 - /JPY pair, 47
 - symbol and nicknames for, 15–16
 - U.S. dollar and, 11–12
- Carry trade, 107
- Central banks, list of, 16
- Channels, 36, 37, 127–128
- Consistency, importance to trading, 237–239
- Consolidation, 22, 23, 53–55, 153
 - squeeze play and, 169–180
- Correlation, FX-Ed trend technique and, 129
- Counter currency, 16–18
- Cup-and-handle formation, 38
- Currencies:
 - list of major, 15
 - nicknames for, 15–16
- Currency pairs:
 - basics of trading, 27–28
 - list of popular, 16–18
 - recommended for beginning traders, 45–46
- Demo trading, 45
- Descending triangles, 145–148
- Discipline, importance to trading, 82–85, 90–91
- Discretionary and strategic exits, 126
- Double-top formation, 35
- Drawdown, 234
- Economic cycles, technical analysis and, 33–34, 64
- Emotions, trading and, 137–139
- “Entry,” 18
- Equities trading, contrasted to Forex trading, 3–10
- Euro:
 - /GBP pair, 108–117, 146
 - /JPY pair, 147, 191–192
 - symbol and nicknames for, 15–16

- Euro (*Continued*)
 - U.S. dollar and, 13
 - /USD pair, 45, 65, 66, 101–102, 104, 149–152, 154–157, 161–168, 170–171, 175, 176, 183, 202–205
- European trading session, 29–30
- Exchange rate, 11–13, 23–24
 - FX-Ed trend technique and, 103–107
 - pairs and, 27–28
 - price as indicator and, 133–143
- Exit points:
 - flags and, 164–165
 - locating, 77–85
 - pennants and, 156–157
 - squeeze play and, 173–175
- False breakouts, *see* Breakouts
- Fechner, Gustav Theodor, 137
- Fibonacci retracement, 41–42
 - squeeze play and, 175
 - trends and, 67, 71–73, 76, 80, 95–97
- First bounce, round numbers and, 184
- Flags, 152, 161–168
- “Flat,” 14
- Forex trading:
 - advantages of, 25–27
 - basics and terminology of, 11–24
 - contrasted to equities trading, 3–10
 - good versus winning, 237–238
 - improving odds on playing field of, 215–221
 - life lessons and, 223–226
 - pairs and, 27–28
 - pitfalls of some touted strategies, 227–231
 - starting out in, 43–50
 - taking responsibility for, 238–239
 - trading day and, 28–31
- Fundamental analysis, 26–27, 44
 - volatility and, 170–171
- FX-Ed trend technique, 99–130
 - news and, 120–125
 - partial exits and, 125–129
 - stops and, 107–120
 - trend strength and, 99–107
- Gains:
 - goals and, 209–214
 - improving odds of, 215–221
- “Going long,” 14
- Gold, pairs affected by, 47, 48, 70–72
- Greenwich Mean Time, 30–31
- Head-and-shoulders pattern, 36
- Hedge funds, 233–235
- Henry, John W., 225
- Indicators:
 - average directional index (ADX), 61, 62
 - average true range (ATR), 108–120, 172–173, 176–179
 - price as, 133–143
- Individuals, trading for, 233–235
- Institutions, trading for, 233–235
- Interest rates:
 - interest rate arbitrage technique, 193–200
 - quiet time trading and, 201–205
- International Organization for Standardization (ISO), 16–17
- Intraday breakouts, 145–152
 - ascending and descending triangles, 145–148
 - time-of-day filter, 148–152
- Introducing broker waiver, 217
- Kovner, Bruce, 225–226
- Leverage, 19, 25–26
 - interest rate arbitrage technique, 196
- Liquid market, 19
- Losses, being willing to take, 228–229, 238–239
- “Lots,” 18
- Market karma, 49–50
- Mental attitude, importance to trading, 239–240
- Mini accounts, 45
- Missed trades, 90–91

- Moving averages:
 - proper order of, 39–40, 62, 103–107
 - 10-day exponential, 101–129
 - 20-period, 184–192
 - volatility and, 171
- Multiple time frame strategy, 69–97
 - discipline and, 82–85, 90–91
- New Concepts in Technical Trading Systems* (Wilder), 108
- New Zealand dollar:
 - symbol and nicknames for, 15–16
 - /USD pair, 146
- Odds of gains, improving of, 215–221
- Oil, pairs affected by, 46–47
- Overbought territory, 73–75
- Pairs, *see* Currency pairs
- Partial exits:
 - FX-Ed trend technique and, 125–129
 - round numbers and, 186–192
- Partial fills, 6–8
- Pennants, 152–161
- Physical fitness, importance of, 239–240
- “Pip,” 14–15
- Pitfalls, of some strategies, 227–231
- Planning, importance of, 238
- Pleasure principle, trading and, 137–139
- Price, as indicator, 133–143
- Proper order of moving averages, 39–40, 62
 - FX-Ed trend technique and, 103–107
- Protective stop, *see* Stops
- Range, 21, 22
- Range-bound techniques, 40, 53–54
- Resistance, 20, 21, 36, 37
 - Fibonacci techniques and, 41–42
 - price as indicator and, 134–143
 - round numbers and, 182–184
- Responsibility, taking for losing as well as winning trades, 238–239
- Risk management, 44, 96. *See also* Stops
- Round numbers, importance of, 181–192
- “Selling short,” 14
- Selling volatility, 169
- Slippage, 7
- Specialists, 7–8
- “Spot (cash) market,” 19
- Spread, 8, 45
 - improving odds of gains and, 216–221
- Squeeze play, 169–180
- Stops:
 - defined, 18
 - FX-Ed trend technique and, 107–120
 - importance of, 238
 - multiple time frame strategy and, 76–77, 91–94
 - pennants and, 156
 - round numbers and, 185–186
- Strategic exits, 126
- Support, 20, 36, 37
 - Fibonacci techniques and, 41–42
 - price as indicator and, 134–143
 - psychological, 182
 - round numbers and, 182–184
- Swiss franc, symbol and nicknames for, 15–16. *See also under* U. S. dollar
- “Take-profit” order, 19
- “Target,” 19
- Technical analysis, 26–27, 33–42, 44
 - 10-day exponential moving average, FX-Ed trend technique and, 101–129
- Tendencies, of market, 57–59
- Tenkan line, 101–102
- Time-of-day filter, 148–152
- Trading day, 28–31

- interest rate and trading in quiet time of, 201–205
- Trend lines, 36, 37, 61, 62, 127–128
- Trends, 20, 22, 39, 53–60
 - determining of, 60–62
 - multiple time frame strategy and, 69–97
 - reasons for, 62–65
 - using of, 65–67
- Triple threat trader, 43–44
- 20-period moving average, round numbers and, 184–192
- Uptick rule, equities market and, 8
- U.S. dollar, *see also under other currencies*
 - /CAD pair, 46, 70–97, 101, 103, 182–183, 185–192
 - Canadian dollar and, 11–12
 - /CHF pair, 104
 - Euro and, 13
 - /JPY pair, 46, 64–67, 101–102, 192, 197–200
 - as quote currency, 24
 - symbol and nicknames for, 15–16
 - U.S. trading session, 30
- Volatility, 23
 - FX-Ed trend technique and, 108–110
 - squeeze play and, 169–180
- Volume, time-of-day filter and, 148–149
- Wilder, J. Welles, 108
- Yen, 15–16. *See also under* Canadian dollar; Euro; U. S. dollar