

GET LAZY and RICH

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GET LAZY and RICH!

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Get Lazy and Rich!

Introduction

This will be a very short e-book manual for the simplest, easiest and laziest way of trading that I have ever had the pleasure to trade.

This is a true "set and forget" system that is so easy that you can teach your kid or your mother or grandmother how to do it! Riches for all!

IMPORTANT NOTE: This e-book does not teach you how to trade forex. You must have basic skills and also know how to place a hedge trade. It will also be helpful if you have had prior experience with an MT4 platform, but this isn't necessary, as long as you can learn to navigate your way around and place horizontal lines. Always start out with a demo account to learn the platform and the trading methodology.

This system is totally mechanical and emotion-free and you'll fall in love with the simplicity and gentleness of it. Describing how to work it is more difficult than actually trading it! There is very little downside risk to this trading system except for minimal drawdowns and the inevitability of your being away from your pc while sleeping or working, etc. For that problem to be solved, the simplest solution is to upgrade to robotize the system. When you see the profits made, possibly for the first time in your forex trading history, you'll want to never miss a profit!

The Methodology

We are counter-trend trading the Eur/Gbp in a grid of a 340 pip range. We draw the grid lines around a fixed center mid-line and place pending sell or buy limit or stop orders in the direction of the trend. The grid becomes our trading envelope. The number of pips between the grid lines is small and the take-profit is small, for quick daily profits (if the range is sufficiently choppy). We replace the triggered and closed orders only in the direction of the trend.

You want a pair that ranges and the Eur/Gbp is mainly a quiet non-volatile pair that ranges most of the time. Trending is bad because the price will leave the grid and you make money in the grid. You want a very small take-profit so that you have multiple quick take-profits within the grid. You also want a small spread of 2-3 pips so that the broker gets less money and you get more.

It also helps your all-over profitability to gain interest when in a rollover at 5 pm EST, when swap occurs. With the Eur/Gbp, you gain interest when you are selling short and you pay interest when you are buying long.

When the Euro goes up and the Pound goes down, the Eur/Gbp goes up.
When the Euro goes down and the Pound goes up, the Eur/Gbp goes down.

So good news about the Euro economy and bad news about the British economy will drive the Eur/Gbp up. If the economic news about the Euro economy is bad and the economic news about the British economy is good, the Eur/Gbp goes down.

This grid trading methodology is a "set and forget" scalping system and is not directional trading...it is counter-trend trading (although we place the appropriate limit orders in the general trend direction), and is a martingale strategy. In a martingale strategy, each new position initiated is doubled, with a limited maximum number of trade positions allowed, according to the size of the account.

This trading system can be traded with micro mini lots with a starting balance of only \$33. I had an old account that I had transferred funds out of, leaving it open with just \$33, and just for fun, I started using this system to see if it could be traded safely and profitably! The answer is yes! It made a nice 10% the first week, and each week after that, trading only one position with only one micro mini, 0.01. With another old account I had that only had \$725 in it, it made approximately 20% each week, trading 3 positions with one mini lot, 0.1. This has been the consistent amount made each and every week WITH NO LOSING TRADES! I doubled this account in 6 weeks.

And, inevitably, some trades were not replaced right away because I was sleeping or away from my pc. When you don't replace the closed positions immediately, you will lose some profits if it is whipsawing.

For working people, it's realistic to be able to replace closed positions at least twice a day. If you are home, you can check more often.

Don't stay glued to your pc to watch this trade method, it's the most boring method on the planet! It would be like trying to watch the grass grow. This currency pair moves sooooo slowly and gently, more than any other. Just minimize your trading platform and check it every couple of hours to see if there are positions to be replaced.

Don't let the small accounts fool you. It's just an example for those folks who don't have a lot of money to forex trade. Earning even close to 10% a month is phenomenal with most trading systems. And this method doesn't commit large sums of money to get the job done. Just think of opening a \$10,000 account and making 10 - 20% each week, with minimal risk and minimal drawdown! Who needs a job???

As is normal, trading is more vigorous and active during the London trading hours, between 3 am to 11 am EST. This is when more positions for the day will be triggered and closed and will need to be replaced. Then the price tends to whipsaw, which is ok, because when you're scalping for only 6 pips, it isn't too hard to take profit if the trading range is quiet or hopefully whipsawing. You don't want the price to go outside of the trading grid. When it does go outside of the trading grid, please refer to the chapter *Managing Your Trades*.

For safety's sake, trade this method only using .01 (micro) or .1 (mini) lots. You can gradually increase either the number of trade positions OR the size of your lots, but be very careful that you don't increase both at the same time or you'll run the risk of becoming over-leveraged.

If your account is over \$1000, you can trade 1-3 mini lot trade positions maximum, instead of micro mini lots and your profits will double. Imagine 20%+ a week with no losses! It's incredible but true.

The brokerage I recommend allows a new live account to be opened with \$2000. If you start with \$2000, please stick to mini lots and don't use more than 2-4 trade positions at any one time until you've at least doubled your account.

The basic method is to trade only the Eur/Gbp in a 30 minute or 1 or 4 hour chart and place horizontal lines on your chart at specific price lines to create 5 grids of 10 lines each, for a total of 50 horizontal lines or a trading range of 400 pips.

Your price lines will be spaced 10 pips apart and your Take Profit limit order will be 6 pips.

Pending sell and buy limit and stop orders will be placed around center lines according to the chart on page 22. If you print out this chart it will help you easily and quickly set up your trading grid. For MT4 platform traders, a downloadable template is available with your grid already drawn.

A pending limit or stop order gets triggered automatically when the price hits your pending order target.

When the trade hits it's price target, it takes the profit automatically and closes the trade. This position needs to be replaced asap, but only if you are sure that the trend is intact. **If you aren't sure if the trend is intact, don't replace the trade.**

No stops are used (although you could use stops 50 pips away from entry instead of hedging).

When you are selling short, you have the added benefit of collecting swap interest if your trade goes past 5 pm EST.

You don't need any indicators, however, knowing how to draw support and resistance lines and trend lines is useful and recommended. Advanced traders could add a stochastic oscillator set at 35,7,3 E to see the tops and bottoms of a move, using a very zoomed-in chart.

What is a pending buy and sell limit order?

Sell limit orders are used for counter-trend trading.

If the price is above your order and you want to buy only when it drops down to a certain price (thinking that the price will reverse and head up), then you place a pending buy limit order.

If the price is below your order and you want to sell only when it goes up to a certain price (thinking that the price will reverse and head down), then you place a pending sell limit order.

Remember that when selling short (in this strategy, placing a pending sell limit order), you want the price to fall to take a profit at a lower price by buying the position back. When buying long (in this strategy, placing a pending buy limit order), you want the price to rise to take a profit at a higher price by selling your position.

You are placing pending orders that will be triggered when the price reverses slightly and hits your price target and then goes in the opposite direction for only 6 pips and then takes profit.

When placing your pending sell limit orders, you will set the Take Profit at the same time for a 6 pip target when the price falls. When placing your pending buy limit orders, you will set the Take Profit at the same time for a 6 pip profit when the price rises.

What is a pending buy and sell stop order?

If on the other hand, you want to buy when the current price goes up to a certain level (thinking that the price will continue to go up), then you place a pending buy stop order. We use pending buy and sell stop orders when the price has gone outside of the normal trading envelope.

In other words, if the price is trading at 0.7850 and you think the price will continue to go up, you can put in a pending buy stop order at 0.7872, with a T/P at 0.7878.

If the price is at 0.7862 and you think the price is heading back down to the next trading envelope, you can put in a pending sell stop order at 0.7853, with a T/P at 0.7847.

These are just examples, the actual price could be anything. All of this becomes clear when you use the chart I give you on page 22.

So using my grid strategy, if you are going to set grid order **buys** below the current price and **sell** orders above it, these will obviously be limit orders. But if you want to **start buying above the current price or selling below it**, then you set pending stop orders.

Your biggest consideration will simply be how much margin you use....i.e., how many micro mini lots or mini lots for each position and how many maximum trade positions initiated at any one time.

Conservative is the safe way to trade. You'll have drawdowns but they will be minimal and with conservative use of margin and number of positions, you'll have no worries or trouble. Because you don't use stops, there are no losing trades. This trading method is the least stressful method I've ever experienced and you'll love it too!

This is a counter-trend scalping technique but because the Eur/Gbp is so gentle and slow-moving, you can be in a trade with one or many positions for hours or even days....you just sit back, relax, get lazy, and let the trades run! They will do their thing and all you have to do is replace the positions as they get closed out at your profit target!

The trading range of this currency pair has been historically fairly predictable, with a narrow trading envelope and very low volatility....however, since mid-September 2007, it has increased in volatility and has risen in price without looking back. For this reason, it may be useful to employ either stops or hedges, or a combination of the two, depending on your skill level.

When the price goes outside of the grid trading envelope, at that point we have

a hedge strategy to freeze your margin until the price goes back to breakeven in the previous the grid. More about that later under the chapter "Managing Your Trades".

As a trade hits its Take Profit and is automatically closed, you'll have to replace that position. For working people, you can simply replace the positions twice a day, in the morning and in the evening. Obviously, you'll miss replacing closed positions when you're sleeping or working, and when you see the profits lost because of this, you'll want to upgrade and buy the robot to automate the trades for you.

It gets really exciting when you upgrade to get the robot to trade this for you. The robot is actually a different system altogether but you can adapt it to keep trading this method or use it to it's fullest capabilities. It makes a very consistent 20% a week trading micro mini lots at the most conservative level of margin. If I told you more, you'd think I was lying or exaggerating ...so I won't make any more claims of profit than this. When you try it, you'll know that I'm telling the truth. (Please read my Disclaimer once again! I have to say that to cover my liability.)

The key to making this system work safely for you is to use the optimum yet most conservative amount of margin for each position and not place too many market orders at one time...and in the Set Up chapter, I'll explain how to do this and give you some examples.

Don't worry that this trading method sounds complicated, it's much easier to do than to explain. Just set up your trading grid as explained in The Set Up chapter and use the chart on Page 22 and start placing trades. It helps to have the printed chart on Page 22 so you will know how and where to replace your triggered trades, without having to agonize over what to do, just keep it by your pc.

This is a very easy and simple trading method, just start practicing, and you'll soon understand.

The Trading Platform

Basically, you can use this trading method on any trading platform with any broker.

However, if you have an account funded with \$1000 or less, you need to trade with micro mini lots, which is 1/10th of a mini lot, which is 1/100th of a standard lot.

As far as I know, only a Metatrader 4 (MT4) platform offers micro mini lots and not all brokers that offer the MT4 offer micro mini lots.....mostly you'll find MT4 platforms that are set for mini lots or standard lots. So, my advice is to look for a brokerage that offers the MT4 platform that is set for trading micro mini lots. There aren't very many broker MT4 platforms that offer the micro mini lots.

To make this search easy for you, I can tell you right now that the private trading group that I'm a part of uses a MT4 platform that offers micro mini lots. However, if you go straight to the broker's website and download the MT4 platform, you'll only be able to trade mini lots...only our private trading group is given the opportunity of trading micro mini lots, as they have configured special accounts just for us to allow micro trading.

If you go through my link, you can download this special MT4 platform and open a free demo and then later a live account that is configured for micro trading. You don't have to be a member of my private trading group to use our trading platform and special accounts, it suffices that I have invited you. I DO NOT make any compensation by referring you.

Here are the benefits of using our group's special MT4 platform:

1. micro mini or mini lot trading enabled, as well as standard lots (.01, .1, 1.0)
2. we trade with 100:1 leverage
3. spreads of 3 pips on 3 majors and the eur/gbp

4. good competitive interest rates for our daily swap
5. interest paid monthly on our account balance
6. you can have as many demo accounts as you like
7. they don't stop hunt, slip us, widen the spreads or re-quote us as do most other dealing desks or market makers
8. they make their money in the spread and don't charge any commissions
9. manual and robot scalping is ok as long as the take profit is 5 or more pips; however, a pending take profit, whether placed manually or by a robot, needs to be 10 or more pips

Our private trading group uses Back Bay FX as our Introducing Broker and our brokerage is ODL Securities, a NFA-registered FCM, **NFA # 0330396** if you want to look them up on the CFTC website to check their financials:

<http://www.cftc.gov/marketreports/financialdataforfcms/>

Please see this website for more info:

<http://www.daytrade forex.com/recommendedforexbrokers.htm>

BackBayFX/ODL

LIVE and DEMO Account Platform Download

Here's how to download a micro mini trading Demo or Live account/platform:

To download our BackBayFX/ODL MT4 software for Live Accounts and Demos, please click, or copy and paste the following link and run the

software.

Here is the download link:

Click Below:

<http://www.metaquotes.net/files/backbayfx/bb4setup.exe>

Here is how to download your new demo platform

(I suggest you print this so you can follow the instructions along as you are going):

1. Click on the link above to begin download.
2. Save it to your desktop.
3. Find the Icon on your desktop that says "bb4setup" and click to open file or it may just begin downloading.
4. If it does not begin downloading find the "bb4setup" Icon on your desktop and Double Click on "bb4setup" Icon to begin setup. If you begin downloading, simply click 'Next' until you get to the window with Installation folder.
5. Keep clicking along and it will install. Fill out the form and **choose the amount of capital you think you'll be live trading with so you can have real experience with the correct margin amounts for your account size.**

NOTE: THE ABOVE POINT IS CRUCIAL TO YOUR SUCCESS!

7. Launch your new Back Bay FX demo Platform by clicking 'finish'.
8. Right-click on the Icon on your Desktop named Back Bay FX-MetaTrader and rename this Icon "BBFXdemo1". If you download a second demo platform, name the Icon "BBFXdemo2".

9. When logging into your demo platform, choose the BackBayFX-MT4 DEMO SERVER. The password is case sensitive.

AFTER YOU HAVE OPENED A LIVE ACCOUNT VIA A LINK BELOW ON PAGE 32 , THEN YOU CAN REPEAT THE ABOVE PROCESS EXACTLY THE SAME (VERY IMPORTANT TO REPEAT STEP #5 ABOVE) AND DOWNLOAD A NEW PLATFORM FOR YOUR LIVE TRADING ACCOUNT. THERE WILL BE TWO DIFFERENCES IN THE PROCESS:

1. When logging into your live platform, choose the BackBayFX-MT4 LIVE SERVER. You need your account number and password that you received when you opened a live account to login to your live platform. (If you have trouble logging in, just email Paul at Back Bay FX with your acct info and issue.)
2. **IMPORTANT NOTE:** When your live account is approved by ODL, you will receive a Welcome email from them with a download link to the MT4 trading platform. DO NOT USE THIS LINK TO DOWNLOAD A PLATFORM! It is a standard platform that the rest of the world downloads and you are special! You have already downloaded the BackBayFX demo platform and you have the "bb4setup" icon on your desktop. Use that icon to download a new platform but choose the BackBayFX-MT-4 LIVE SERVER when you login. Then use the login info that you received in your Welcome email. Your live account number is not your login for your MT4 trading platform. Use the login number and password in the email.
3. As per STEP #8 above....you will rename your desktop Icon BackBayFXLive.

Note: The BackBayFX/ODL platform for LIVE and DEMO TRADING is a Standard Platform and you must move the decimal two places to the left.

So starting from the right, move the decimal two places to the left:

- 1 micro mini lot becomes 0.01 (as entered under volume in the order window on our platform)
- 5 micro mini lots becomes 0.05
- 10 micro mini lots becomes 0.10 or is one mini lot
- 20 micro mini lots becomes 0.20 or 2 mini lots
- 69 micro mini lots becomes 0.69
- 100 micro mini lots becomes 1.00 or one standard lot
- 135 micro mini lots becomes 1.355

A micro mini lot is worth .10 (10 cents). A mini lot is worth \$1. A standard lot is worth \$10.

BackBayFX/ODL does NOT offer nano lots (0.001) which is worth 1 cent.....if this is how you have to trade, then open an account with IBFX.

The Platform Set Up

FOR MT4 USERS: Here is a template with the grid lines already drawn:

<http://www.daytrade forex.com/LazyGridTemplate/lazygrid.zip>

Instructions: Unzip and download right into the outside templates folder for your mt4 platform. C:drive\ProgramFiles\yourMT4Platform\templates so it should be downloaded into the outside templates folder, not the templates folder inside the expert folder.

To open in your MT4 Platform:

Open a EurGbp chart in a 1 or 4 hour timeframe, click once inside the chart to select that chart. On the top toolbar, click Charts/Template/LoadTemplate/ Choose lazygrid.tpl

Your template will appear in the EurGbp chart and you can zoom in and out and

click chart shift to get your chart to show at least 100 pips above and below the current price. You can scroll down on the right side of the chart to squeeze the price lines together or to open them up so you can see the entire grid.

Click [HERE](#) to see a chart with the entire grid set up on the MT4 platform. All other platforms will look the same when the grid is set up.

Then proceed to place your pending buy and sell limit or stop orders in the nearest price range of the current price.

The aqua blue lines are the price lines for you to place your buy and sell pending limit or stop orders. The red lines are the XX90 price lines where you place your hedge trade. The hot pink lines are XX40, the no-trade zone, where you change from buy to sell orders, and vice versa.

For all other platform users:

Open a Eur/Gbp chart in a daily time frame and place horizontal lines on your chart at specific center price lines. You will have 5 center price lines of 0.7690, 0.7790, 0.7890, 0.7990 and 0.8090 which constitute an average range of 540 pips.

TO REPEAT: you can adjust the chart and add more grids above the current price grid and more grids under the lowest price grid, as need be.

So first, draw your major center price lines at 0.7690, 0.7790, 0.7890, 0.7990 and 0.8090 and make them red. (we won't be drawing a grid below 0.7690 because the price hasn't been down that far in quite awhile.)

Then, let's set up the lowest center grid, with the major center price line at 0.7790 and make it red.

You will draw 9 horizontal lines on your chart above the 0.7790 middle line, and 9 horizontal lines below the 0.7790 middle line, at 10 pip intervals and make

them aqua blue. This is your first grid. You will divide this first grid in $\frac{1}{2}$ so that you can counter-trend trade. The center of the grid is 7740 and is called a minor center price line. Make the 7740 line magenta. The 7740 price line is a no-trade price, you are waiting to see if the price will go up or down.

You place pending buy limit orders below the minor center price line 7740 starting with 7730 and you place pending sell limit orders above the minor center price line 7740 starting with 7750.

You can look at the chart that starts on page 22 to really see how to trade this grid and all subsequent grids. Once you set it up, the trading part is really simple.

Next, set up the next higher price grid for the 0.7890 major center price line and make it red.

You will draw 9 horizontal lines on your chart above the 0.7890 middle line, and 9 horizontal lines below the 0.7890 middle line, at 10 pip intervals and make them aqua blue. This is your second grid. You will divide this first grid in $\frac{1}{2}$ so that you can counter-trend trade. The center of the grid is 7840 and is called a minor center price line. Make the 7840 line magenta.

You place pending buy limit orders below the minor center price line 7840 starting with 7830 and you place pending sell limit orders above the minor center price line 7840 starting with 7850.

Next, set up the highest price grid for the 0.7990 major center price line.

You will draw 9 horizontal lines on your chart above the 0.7990 middle line, and 9 horizontal lines below the 0.7990 middle line, at 10 pip intervals and make them aqua blue. This is your third grid. You will divide this first grid in $\frac{1}{2}$ so that you can counter-trend trade. The center of the grid is 7940 and is called a minor center price line. Make the 7940 line magenta.

You place pending buy limit orders below the minor center price line 7940 starting with 7930 and you place pending sell limit orders above the minor center price line 7940 starting with 7950.

NOTE: Repeat for any major center price lines if the price continues to climb. If the price ever goes back down below 7690, then re-draw your lower grids on your trading platform according to the chart.

THIS IS COUNTER-TREND TRADING:

You place pending buy limit orders below the minor center price of XX40 and you place pending sell limit orders above the minor center price lines of XX40.

A pending limit order gets triggered automatically when the price hits your pending limit order target.

About placing orders:

When you try to put in a pending sell limit order under the current price it is going to give you an error message. If this happens to you, simply place a pending sell **stop** order instead.

If you are trying to place a pending buy limit order above the current price, it will again give you an error message. Simply place a pending **buy** stop order instead.

To Re-Cap:

If you are going to set grid order **buys** below the current price and **sell** orders above it, these will obviously be limit orders. But if you want to **start buying** above the current price or **selling** below it, then you set pending stop orders.

IMPORTANT NOTE: The BBFX/BackBayFX trading platform is a "standard" platform. (This is important to note if you choose to use the

recommended robot later.) This means that when you first open up your Order Window, you'll see the first Volume value set at 1.00. This is not a standard lot, this is a mini lot. To select a micro mini lot, change the Volume to 0.01. This platform does not offer nano lots.

Screenshot Example A of Set Up in a weekly chart with trendline so you can see the trading range and the current trend (which is up, as of Sept/Oct/Nov, 2007):



You can see how the price has stayed within our trading envelope for exactly the last five years. Look at how it has formed a breakout bullish triangle and

did breakout to the upside in mid-September 2007.

NOTE: For the last five years, the price has generally stayed in a pretty tight range around the middle price lines of 0.6790 - 0.6890, and currently is trading around 0.7790 - 0.8090. The euro just keeps going up and up and the pound keeps going down and down.

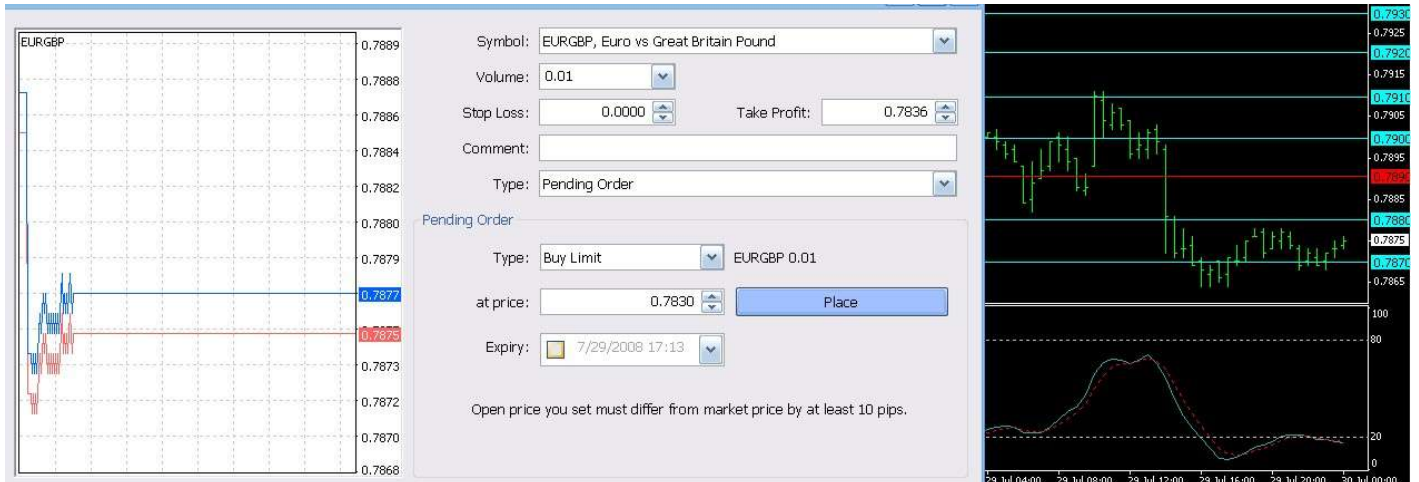
The next screenshot, Example B, shows how to place a pending sell order in the MT4 platform:



Tip: the current market price must be **below** your pending sell order by at least 5-10 pips or it won't let you place the trade. Also, when you try to put in a pending sell **limit** order below the current price it is going to give you an error message. If this happens to you, simply place a pending sell **stop** order instead.

Note: it doesn't matter the order that you place the buy and sell limit or stop orders.

Screenshot Example C of How to Place a Pending Buy Order in the MT4 platform:



Tip: the current market price must be **above** your pending buy order by at least 5-10 pips or it won't let you place the trade. Also, if you are trying to place a pending buy **limit** order above the current price, it will give you an error message. Simply place a pending buy **stop** order instead.

Note: it doesn't matter the order that you place the buy and sell limit or stop orders.

Next I'm going to lay out a chart of what your Take Profit targets are and recommended # of micro mini lots to trade for an account of \$2000 (Two Thousand Dollars).

You should print out this chart and keep it on your desk, you'll be referring to it often and it will keep you from getting confused.

This chart most importantly, will help you know when to place sell limit orders vs buy limit orders for each trading envelope. Because at the time of the publication of this ebook, the trend is up (because the Euro is going up and the Pound is going down), I have drawn the trading envelope to prepare you for the possibility of the price continuing in an uptrend, so you know ahead of time what to do.

This chart is designed to show you how to trade a \$2000 account. The # of Lots will need to be adjusted for smaller and larger accounts. DO NOT place orders for every price line. Keep only 3 grids on your trading platform, around the current price. The hot pink is your major center price line and the light blue is your minor center price line, both non-trade price lines.

PRINT THIS CHART OUT AND KEEP BY YOUR PC TO REPLACE TRADES

None	8090	PLACE & REMOVE HEDGE	None	None
Sell Take Profit	Pending Limit Price	Type of Limit Order	Buy Take Profit	# of Lots
8074	8080	Sell Pending		0.08
8064	8070	Sell Pending		0.04
8054	8060	Sell Pending		0.02
8044	8050	Sell Pending		0.01
None	8040	No-Trade Price Line	None	None
	8030	Buy Pending	8036	0.01
	8020	Buy Pending	8026	0.02
	8010	Buy Pending	8016	0.04
	8000	Buy Pending	8006	0.08

None	7990	PLACE & REMOVE HEDGE	None	None
Sell Take Profit	Pending Limit Price	Type of Limit Order	Buy Take Profit	# of Lots
7974	7980	Sell Pending		0.08
7964	7970	Sell Pending		0.04
7954	7960	Sell Pending		0.02

7944	7950	Sell Pending		0.01
None	7940	No-Trade Price Line	None	None
	7930	Buy Pending	7936	0.01
	7920	Buy Pending	7926	0.02
	7910	Buy Pending	7916	0.04
	7900	Buy Pending	7906	0.08

None	7890	PLACE & REMOVE HEDGE	None	None
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Sell Take Profit	Pending Limit Price	Type of Limit Order	Buy Take Profit	# of Lots
7874	7880	Sell Pending		0.08
7864	7870	Sell Pending		0.04
7854	7860	Sell Pending		0.02
7844	7850	Sell Pending		0.01
None	7840	No-Trade Price Line	None	None
	7830	Buy Pending	7836	0.01
	7820	Buy Pending	7826	0.02
	7810	Buy Pending	7816	0.04
	7800	Buy Pending	7806	0.08

None	7790	PLACE & REMOVE HEDGE	None	None
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Sell Take Profit	Pending Limit Price	Type of Limit Order	Buy Take Profit	# of Lots
7774	7780	Sell Pending		0.08

7764	7770	Sell Pending		0.04
7754	7760	Sell Pending		0.02
7744	7750	Sell Pending		0.01
None	7740	No-Trade Price Line	None	None
	7730	Buy Pending	7736	0.01
	7720	Buy Pending	7726	0.02
	7710	Buy Pending	7716	0.04
	7700	Buy Pending	7706	0.08

None	7690	PLACE & REMOVE HEDGE	None	None
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PRINT THIS CHART OUT AND KEEP BY YOUR PC TO REPLACE TRADES. ONLY SET YOUR HORIZONTAL LINES USING THE PRICES AROUND THE CURRENT PRICE....NO NEED TO SET UP THE LOWER GRIDS WHEN THE CURRENT PRICE IS IN THE UPPER 7000'S.

This chart shows a very very conservative use of margin and is where you should start when demo testing. Once you get the feel for how the system works, you can adjust the # of micro mini lots to earn more money per position, and/or add another position, but do so very gradually.

If you have less money to start, reduce the # of positions and reduce the size of the micro mini lots.

For instance, if you are starting with only \$250, use only one to three positions at a time maximum. When you have DOUBLED your account, you can increase the amount of positions and slightly and gradually increase the margin for the outer positions.

If you have more money to start, gradually increase the # of positions and the size of the micro mini lots.

The trick to doing this method safely is to figure out the optimum margin (# of micro mini lots for each position) AND HOW MANY POSITIONS to use for your size account.

When your account gets to \$1,000 - \$2,000, start using mini lots instead of micro mini lots, and demo test at each stage of your new account size to get the feel for the margin used during drawdowns.

ALWAYS SAVE LOTS OF EXTRA AVAILABLE MARGIN FOR WHEN THE TIME COMES THAT THE PRICE GOES OUTSIDE OF YOUR NORMAL ENVELOPE AND YOU WANT TO KEEP TRADING IN THE NEW GRID.

This method will have drawdowns but if you've been conservative with your margin (# of micro mini lots used for each position), your account will be safe from a margin call. The next chapter deals with how to protect your account when the price goes outside of the normal trading envelope.

Remember to be very conservative with your margin usage, and don't let months of perfect trades let you lose site of the risk factors. If you are conservative with your margin and positions and don't try to grow your account too quickly, you should never run into many problems. Learning how to hedge and manage your hedge trades will be your most crucial task. Always know what to do ahead of time when your trades go outside of the present grid.

The hedge technique is your safety play.

A MONEY MANAGEMENT TIP:

The human tendency is to forget the inherent risk factors and to start trading bigger positions and use bigger margin....fight against this tendency, it is your worst enemy. Don't continue to compound your account....take out $\frac{1}{2}$ of your profits each and every month...your account will still grow quickly and you will

soon be playing with the broker's money, not your own.

The next chapter deals with *Managing Your Trades*, should the price move outside of the trading grid.

Managing Your Trades

On occasion, the market will move the price outside of the trading grid. If you go to a monthly chart, you can see how often it happens and you can draw support and resistance lines to see what the worst extremes can be. However, the 340 pip trading grid that you set up in the beginning will encompass most of the price action.

There are two problems that will face you when the price gets extremely outside of the trading grid.

The first problem, is that you will have X # of positions open that are not going in the right direction. Depending on the number of positions and the amount of margin used for each position, you could be in for an extended drawdown. If you have used too many positions and too much margin, your account could be in danger of a margin call. This means the broker will close enough positions for you to get your account back to an acceptable margin level...and you can lose a lot of money.

The second problem is that you will want to continue trading but may not feel comfortable. You can sit out on the sidelines and wait until the price goes back into the trading grid, or you can continue to counter-trend scalp and take small profits. However, you **MUST** have adequate margin to continue trading and you **MUST** use only the smallest number of mini or micro mini lots when you trade. Generally, if you are above 300% margin level you can continue to trade, but with a limited number of market orders, and if the price keeps going against you, I would stop trading and wait to see what happens next.

SOLUTION:

At each major new center price line of XX90, you should place a single hedge

trade for the same number of open trades that didn't get closed before the price crossed the new center line. Simply add up the # of lots for the open trades you need to hedge and place a single instant execution order for the same # of lots going opposite.

When the price comes back to the outer limits of the previous envelope, you can remove the hedge, sometimes at a profit, breakeven or a small loss.

The secret to successful hedging is to keep your hedge tight...don't hesitate to place it when you are at a major new center line. If you miss placing a hedge at a major center line, place it when you can.

IF YOU ARE GOING TO BE AWAY FROM YOUR PC, PLACE A PENDING BUY OR SELL LIMIT OR STOP HEDGE...MAKE THE TAKE PROFIT AT ABOUT 6 PIPS FROM YOUR ENTRY AND YOUR STOP AT ABOUT 6 PIPS BELOW YOUR ENTRY. This will manage your hedge for you for a short one-time shot, like overnite.

To Re-Cap:

How to protect your account from drawdown when it goes outside of the normal trading envelope:

When the price hits the next major center price line above or below your original center line, you put on a hedge trade that is a buy or sell order equal to the number of open market orders you are in. That way you cannot go any further into drawdown. Your margin usage is frozen. You can remove the hedge trade once the price retraces to within 0-4 pips or so of your last order....enough pips that your margin level is safely back above 300% and the trade is going in the right direction.

YOU MUST PRACTICE THIS HEDGE STRATEGY IN A DEMO ACCOUNT SO YOU ARE TOTALLY PREPARED FOR THE DAY WHEN THE PRICE GOES OUTSIDE OF THE TRADING RANGE AND YOUR MARKET ORDERS ARE GOING INTO A DRAWDOWN.

The hardest part of my Get Lazy and Rich! trading system is the hedging part.

Hedging is necessary when the price goes outside of the current major price centerline. Hopefully, you won't have many positions to cover and hopefully, you can do a very tight hedge and remove it quickly when the price returns to the previous major grid.

A SPECIAL HEDGING TECHNIQUE

Today, October 29, 2007, I did a new hedge technique that I will do everytime as it is possible, it worked great. If you follow along with my explanation by looking at your eurgbp chart, it hopefully will make sense:

When the price seemed to bounce off the 7010 double top ceiling, and started to come down, I closed a buy hedge at 6990 that was covering three sell positions from the previous grid. But the buy hedge order was at a \$20 profit and when I closed it, I also closed an old 6950 sell position, which was my lowest open order from the previously lower grid...so I booked a small gain and removed the oldest order and freed up some margin, all at the same time.

Then when the price went back up to 6990, I put on another buy hedge at equal the lots for the remaining two sell orders...then the price came down again and when the newest sell order went into a small profit as the price dropped, I closed it and the hedge buy order also. The hedge buy order was closed at a small loss.

If the price keeps coming down, my last sell order will improve and hopefully I can close it out at breakeven. If not, and the price goes back up, I'll put on another buy hedge at 6990 FOR DOUBLE THE LOTS of the last sell open position, and it will soon be in profit and I can close both the sell and the buy hedge order. The profit from the double buy hedge will cover the loss of the sell order.

NOTE: when hedging, you have to be very careful and watch your hedges so

that you can add them and remove them when the timing is right. If you can't monitor your hedge trades, it would be better to place pending hedge orders with a take profit of 6 pips above entry and a stop loss of 6 pips below entry, or just use simple stop losses. When placing your limit orders, when you place your 6 pip TP, also place a 50 pip stop for each trade. However, a stop loss triggered is a realized loss...so when you can monitor your trades, choose to hedge instead....your overall profit picture will be prettier.

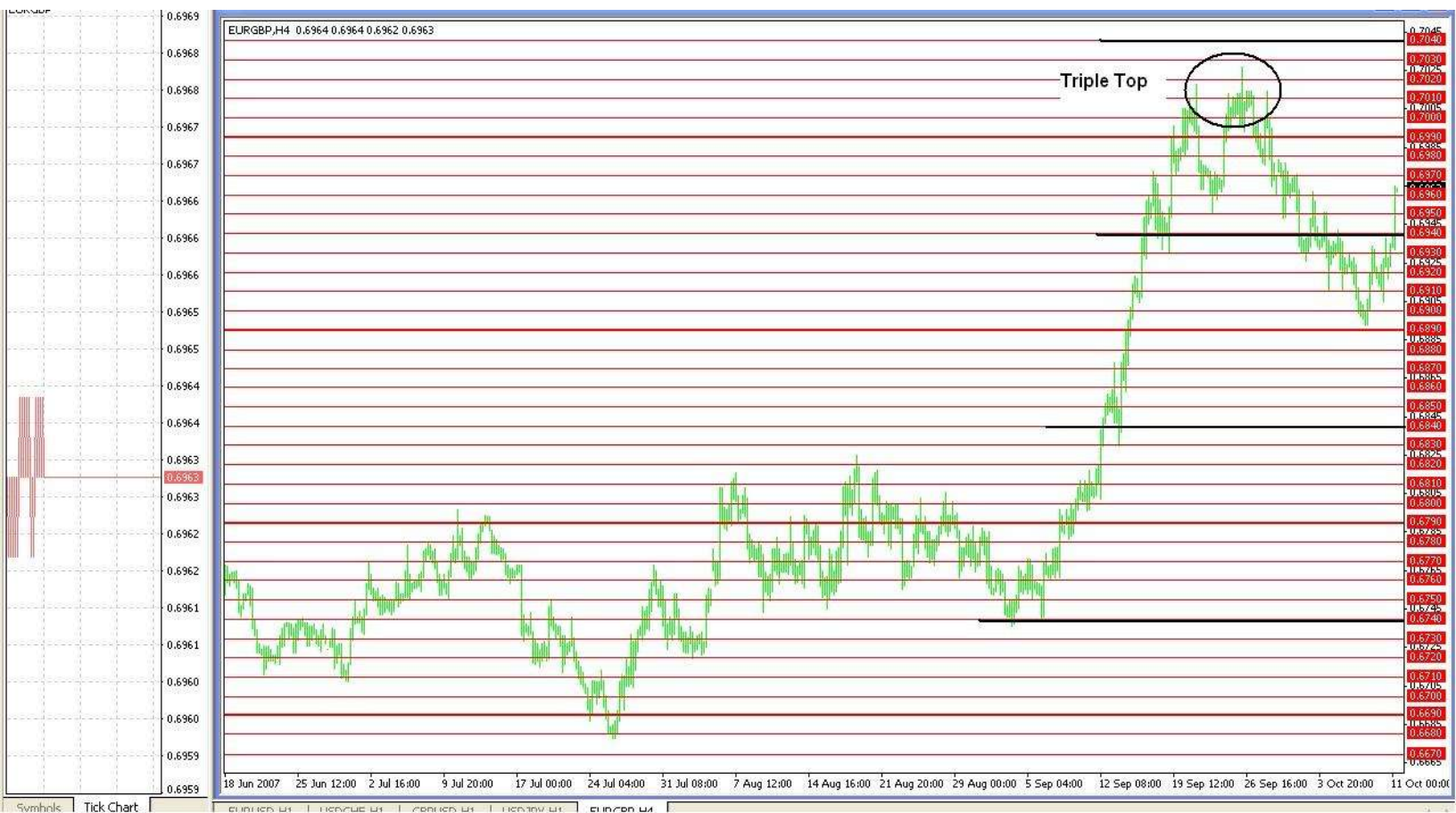
It should be very rare instances when we have to open a hedge. Normally, the price stays within a tight trading range, even if it's not in the normal range, or is trading in a different range.

Once you can get rid of the hedge orders, life can go back to normal...but even when you have hedge orders, you can continue to trade the new grid, as if you didn't have the hedge orders...just deal with the hedge orders as a separate entity, which in reality they are. If you had to leave a hedge order open for a long time and it went up and down, your only true loss would be a daily interest payment on the buy side, which would be offset by the daily interest received.

Practice closing out one trade at a time as described above, as possible, for a small profit or breakeven.

Screenshot D Showing The New Bullish Trading Envelope

This screenshot shows how I started to trade the new grid up 100 pips in a 4 hour chart:



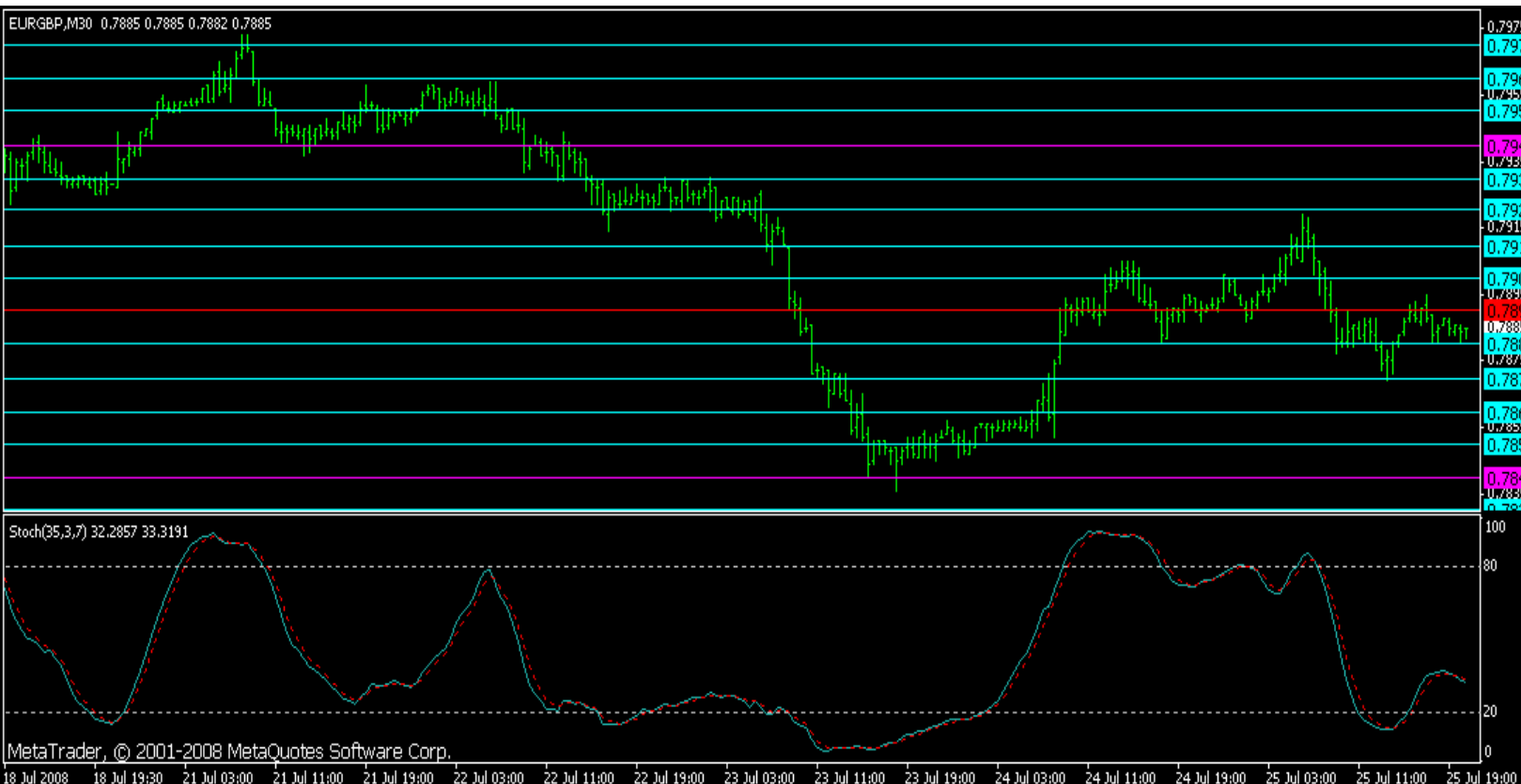
For months, I had been trading around the normal center line of 0.6790.

On 9-14-07, the price rose to 0.6890 and I put on a buy hedge trade that equaled the # of existing open micro mini lot sell orders, to freeze the margin.

Since I had already drawn the lines for the trading grid up 100 pips, I began trading within the new grid, placing pending buy orders above 6900 until the price rose to 6940. After those trades were closed, above 6940 I start placing pending sell orders until the price rose to 6990.

At 7000, I started seeing signs of price exhaustion, and didn't place any more sell orders. Also, I used an advanced technique which was the stochastic oscillator set at 35,7,3,E in a very zoomed in chart, so it was easy to see when the top had been reached.

Here's screenshot E showing how I use the Stochastic Oscillator set at 35,7,3,E to see the tops and bottoms:



When the Stochastic Oscillator lines in the Indicator Window cross down below the 80 horizontal line, I know the price is overbought and the uptrend has reversed. When the lines go up from the 20 horizontal line, I know the price is oversold and the downtrend has reversed.

So, to re-cap and simplify: Your normal major center price line is always XX90 and any time the price goes up outside of the current trading envelope and hits a new major center price line, place your hedge at the new major center price line at XX90 and then repeat (place another hedge) if the price continues to go up to a new higher major center price line. Place your pending limit or stop orders in the direction of the price...**just trade the new grid as if it was the normal grid.**

If the price has broken down below the normal trading envelope, place your hedge at the new major center price line set at XX90 and if the price keeps going down, place another hedge at the next major center line at XX90. Place your pending limit or stop orders in the direction of the price...**just trade the new grid as if it was the normal grid.**

If you don't have enough margin to keep trading, then just wait, don't trade....and when the price gets back to the outer edges of the grid, then remove your hedge within 0-4 pips of your oldest order and start trading in the direction of the price movement.

Your account DOES NOT use extra margin to put on a hedge trade.

Remember that at each new major center line XX90, you should place a hedge trade for the open trades that didn't get closed before the price crossed the new major center line. When the price comes back to the outer limits of the previous envelope, you can remove the hedge where you put it on, hopefully for a breakeven. Save lots of margin so you can continue to trade in the new envelope.

When you are ready to open a live account, please click the appropriate link:

NOTE: I AM NOT COMPENSATED IN ANY WAY BY RECOMMENDING BBFX/ODL, I'M JUST FACILITATING THE PROCESS ON BEHALF OF BBFX (IB for ODL) BECAUSE I TRADE WITH THEM AND REALLY LIKE THEM.

For Individual Live Account Application click this link:

http://www.daytradeforex.com/ODL-BBFX_Individual_Application_576.pdf

(if the link doesn't work, just copy and paste into your browser bar)

Instructions from Paul Towne, our Customer Rep. at Back Bay FX:

Please print out the labeled "ODL-BBFX Individual Account Application" and fill out all of the pages (manager page if applicable) and email/scan, fax or mail them back to Paul at Back Bay FX.

Contact info for Paul, our Account Rep:

Paul Towne

(ODL/BBFX Introducing Broker contact for customer service)

Phone: 1-617-357-6100

FAX: 1-617-357-5100

Email: paul.towne@backbayfx.com

You must also include the following:

1 valid Government photo ID

1 Utility bill and Bank Statement dated within the last three months and showing your residential address (not a cell or telephone bill)

NOTE: When your live account is approved by ODL, you will receive a Welcome email from them with a download link to the MT4 trading platform. **DO NOT USE THIS LINK TO DOWNLOAD A PLATFORM!** It is a standard platform that the rest of the world downloads and as part of my trading group, you are special and get extra special benefits! You have already downloaded the BackBayFX demo platform and you have the "bb4setup" icon on your desktop. Use that icon to download a new platform but choose the BackBayFX-MT-4 LIVE SERVER when you login. Then use the login info that you received in your Welcome email. Your live account number is not your login for your MT4 trading platform. Use the login number and password in the email.

For Joint Live Account Application click this link:

http://www.daytrade forex.com/ODL-BBFX_Joint_app_576.pdf

(if the link doesn't work, just copy and paste into your browser bar)

Instructions from Paul Towne, our Customer Rep. at Back Bay FX:

Please print out the labeled "ODL-BBFX Joint Account Application" and fill out all of the pages (manager page if applicable) and email/scan, fax or mail them back to Paul at Back Bay FX.

Contact info for Paul, our Account Rep:

Paul Towne

(ODL/BBFX Introducing Broker contact for customer service)

Phone: 1-617-357-6100

FAX: 1-617-357-5100

Email: paul.towne@backbayfx.com

You must also include the following for each account applicant:

1 valid Government photo ID

1 Utility bill and Bank Statement dated within the last three months and showing your residential address (not a cell or telephone)

NOTE: When your live account is approved by ODL, you will receive a Welcome email from them with a download link to the MT4 trading platform. DO NOT USE THIS LINK TO DOWNLOAD A PLATFORM! It is a standard platform that the rest of the world downloads and as part of my trading group, you are special and get extra special benefits! You have already downloaded the BackBayFX demo platform and you have the "bb4setup" icon on your desktop. Use that icon to download a new platform but choose the BackBayFX-MT-4 LIVE SERVER when you login. Then use the login info that you received in your Welcome email. Your live account number is not your login for your MT4 trading platform. Use the login number and password in the email.

For Corporate Live Account Application click this link:

http://www.daytradeforex.com/ODL-BBFX_Corporate_app_576.pdf

(if the link doesn't work, just copy and paste into your browser bar)

Instructions from Paul Towne, our Customer Rep. at Back Bay FX:

Please print out the labeled "ODL-BBFX Corporate Application" and fill out all of the pages (manager page if applicable) and email/scan, fax or mail them back to Paul. Please note that there is a W9 for US corporations and W8 for Non-US, please fill it out accordingly.

Contact info for Paul, our Account Rep:

Paul Towne

(ODL/BBFX Introducing Broker contact for customer service)

Phone: 1-617-357-6100

FAX: 1-617-357-5100

Email: paul.towne@backbayfx.com

You must also include the following:

2 pieces of government issued corporate ID

All directors must each provide:

1 valid government photo ID

1 Utility Bill or Bank Statement in their name, dated within the last three months and showing their residential address

Share holders owning more than 10 % of the company shares must also provide:

1 valid government photo ID

1 Utility Bill or Bank Statement in their name, dated within the last three months and showing their residential address

If the directors or share holders are a company then they must also provide all of the above documentation.

They will also require a share holder list, list of directors, and list of authorized signatories.

NOTE: When your live account is approved by ODL, you will receive a Welcome email from them with a download link to the MT4 trading platform. DO NOT USE THIS LINK TO DOWNLOAD A PLATFORM! It is a standard platform that the rest of the world downloads and as part of my trading group, you are special and get extra special benefits! You have already downloaded the BackBayFX demo platform and you have the "bb4setup" icon on your desktop. Use that icon to download a new platform but choose the BackBayFX-MT-4 LIVE SERVER when you login. Then use the login info that you received in your Welcome email. Your live account number is not your login for your MT4 trading platform. Use the login number and password in the email.

Upgrade To The Robot

Speaking of the Holy Grail....I mentioned at the beginning that you might want to automate this whole trading system with a robot....well, the robot that I now recommend and use is called the FXPROmaker EA (robot)....and I do think that it's the Holy Grail!

It takes only a few minutes to set it up and it comes with complete instructions....and once it's set up, you don't have to touch it, just let your pc run without fail, 5 1/2 days a week, 24 hours a day...it will merrily open and close and manage all your trades in the most beautiful way. It's a fast and furious scalper EA and wins more than it loses so your account will grow quickly.

Just demo test for several weeks according to your starting account size so you get a feel for the profits, losses and drawdowns that can occur.

Every time you double your account, you can tweak the system to have it use a little more margin or add a currency pair that is recommended...everything is explained, including margin and money management. It's all automated and it's a beautiful thing!

Don't rush into getting the FXPROmaker EA (robot), get to know how the Get Lazy and Rich system works with the margin and number of positions, and get

really familiar and comfortable with the MT4 trading platform.

I highly encourage you to use my recommended platform because the FXPROmaker EA needs to be run with micro mini lots and a tight spread, unless you have an account over \$50,000. You can safely trade just the eur/gbp in a \$1,500-2,000 micro mini account at my recommended brokerage. If you only have \$500 or less, you can run it over at IBFX using nano lots (pennies).

When you're ready for the FXPROmaker robot, here's my affiliate link to purchase it:

<http://www.daytrade forex.com/recommends-FXPROmakerEA.htm>

You should first download the free 30 day demo EA from my website above and demo test for a minimum of 14-30 days before you decide to go live.

My recommended EA settings to mimic my Get Lazy & Rich! grid system:

Eur/Gbp (needs the smallest pip spread you can get, a 2-3 pip spread will work)

If you have a 2 pip spread, you can leave the settings at default, which is a faster money-maker with the take profit at 5 pips and the step width at 5 pips. Or, if you get a 3 pip spread, you can change the take profit to be 6-10 pips, with the step width 6-10 pips also...this is for the first 4 steps and then leave the other steps the same as the default in the manual. Please demo test first before going live, so that you understand the settings. This EA is not really for robot newbies, although it's easy to download, there are no indicators. But you have to understand the importance of width steps in conjunction with take profits, to balance maximum profits with maximum safety. Wider width steps are always safer.

Useful Links

Since 2003, my partner Erol Bortucene and I have endeavored to produce excellent forex training materials and systems. You probably have purchased

at least one or more of our forex training ebooks or systems in the past. We thank you and hope they have increased your trading knowledge and profits!

Well, Erol and I have done it again! This time Erol is producing a daily video webcast for showing triangle breakout setups and trendlines and support and resistance for the forex and futures markets. If you'd like to watch a sample video to get the idea of what he is offering, here is his website:

<http://www.daytrade forex.com/recommends/Trendlines.TV>

Triangle breakouts are very powerful trading setups. Just look at my chart on Page 19...

By watching the daily webcast videos, you'll learn how to recognize and draw triangle breakout setups and trendlines and support and resistance lines.

Erol will be showing you these important and powerful trading tools on monthly, weekly, daily and 12 hour charts on just about any market you like to trade, forex and futures.

If you want this valuable information for your education and trading arsenal to improve your trading, go watch his video now! For less than the price of a cup of coffee each day (and I'm not talking about Starbucks, yuk), you can watch these daily videos and see your trading greatly improve, guaranteed!

I have a new forum for forex traders to exchange ideas and share good and bad things about forex. Please visit it, register, and leave a post!

<http://www.day-trade-forex-online.info/forextalk/>

I have created a new topic of discussion for Q & A for the Get Lazy & Rich! manual method.

Also, if you are a publisher of a forex trading e-book, you can buy ad space on

my forum....it's not expensive and as the forum grows, your exposure will increase.

If you want to learn about the differences between brokerages, market makers (dealing desks) versus ECN's please visit my website:

<http://www.daytradeforex.com/recommendedforexbrokers.htm>

If you like the idea of robots trading for you but would like to learn more about them, please purchase my Robot Review Report...it's only \$12.99.

Using this link gives you the RRR for $\frac{1}{2}$ off the price on my website. Inside you'll find tried, tested and true robots like the Range Trader that you can use with confidence:

<http://www.daytradeforex.com/Robot-Review-Report.htm>

Also, if you're into trading the news releases, you might be interested in my new e-book that addresses the rewards and pitfalls...and as a preferred customer, you can buy it for $\frac{1}{2}$ price for the next 72 hours:

http://www.daytradeforex.com/72_hour_sale_TTN.htm

This ebook will educate you about how the brokerages are ripping you off and how you can protect yourself if you want to trade news events.

And then, I have a fun money game, but what a serious money game it is! It's educational and great to do with a partner or friend....it's a Free Report that will show you how to start with literally nothing out of your own pocket and double it to a million dollars!

http://www.cynthia-recommends.info/double_your_way_to_a_million.htm

And last but not least, if you are at all interested in internet marketing or selling affiliate products online, then you'll love my website that features the latest and greatest marketing e-books and tools and software products to help you automate your time and efforts online:

http://www.cynthia-recommends.info/best_ways_to_make_money_online.htm

This website changes all the time so please bookmark it and check back often. That's it folks! Thank you for purchasing my latest e-book and I hope you enjoy the *Get Lazy and Rich! Trading System!*

If you have any questions about the trading platform or the set up or anything else, please feel free to email me at:

support@daytrade forex.com

Happy Trading and Get Lazy and Rich!

Cynthia

Co-Author of The Day Trade Forex Trading Systems

<http://www.daytrade forex.com/products.htm>

SPECIAL OFFER!

For the next 72 hours, you can take advantage of our special $\frac{1}{2}$ price sale on all the Day Trade Forex Products! Just go here to check out the terms of sale:

http://www.daytrade forex.com/72_Hour_Sale_All_Products.htm