PZ ABCD Retracement Indicator

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This Indicator is 100% Free. The author shares it for free access on the Internet.

PZ ABCD Retracement Indicator is a Forex indicator designed scans for ABCD chart pattern and alerts forex traders with BUY and SELL signals.

The indicator is suitable for both scalping and day trading, as it is available on all timeframes. You can also choose any Forex currency pair you prefer to trade.

Installation:

Step 1:

Unzip the .zip file that you have downloaded.

The indicator file is pz-abcd-retracement-indicator.ex4

Step 2:

1) Open your MT4 platform

2) Click File — Open Data Folder. Here you find a folder called MQL4.

3) Open folder MQL4. Here you find Indicators folder. Copy your Indicator (mq4) file into MQL4->Indicators folder. Do this by right clicking on the file and clicking — copy and then −paste.
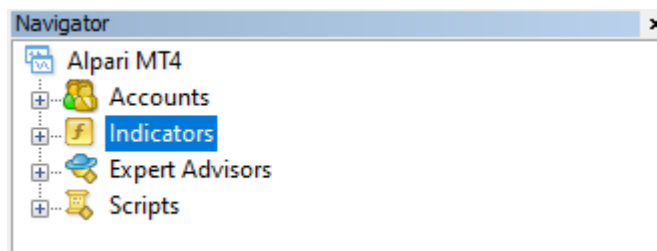
4) Restart your MT4.

Step 3: Open the MetaTrader® platform, and click on View -> Navigator.

You can also press CTRL+N.
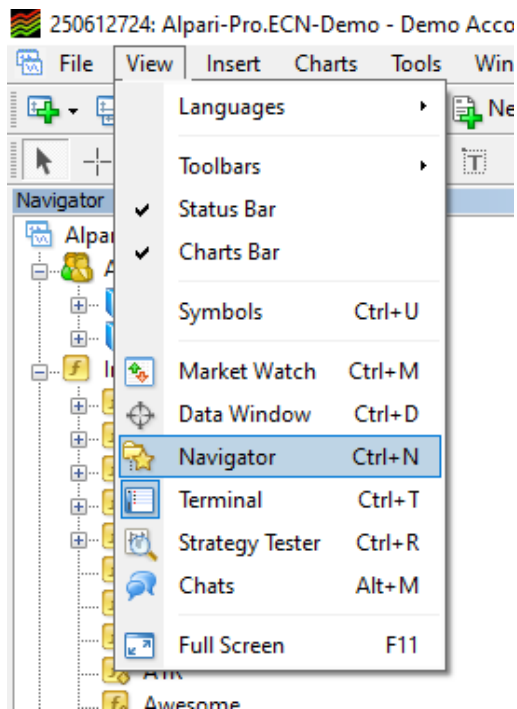
Click on 'Navigator'

Step 4: A window titled 'Navigator' will appear. Double click on Indicators

Step 5: You should see the PZ ABCD Retracement Indicator in the Indicators folder. Double click on it and click OK to load it onto your chart.

MUST READ RULES

Rule #1:

Do not use the indicator on a flat market! Use the indicator ONLY at active market hours – for example London session, US session. Trend will not be noticeable on a weak market (night time, Christmas period, other holidays, etc.) keep reading and I will explain everything...

Rule #2:

- Identify a global trend. (Remember? Trend is your friend!)
- Ignore all signals against a current GLOBAL trend!

Rule #3:

The next highly important rule: Do not trade and do not use the indicator on a sideways trend. This is a — MUST follow rule.
If you DON'T follow or ignore the rules above – good results are NOT guaranteed!

Rule #4 (Very Important):

Before entering a trade or while in a trade, make sure to check news calendar like this one: http://ec.forexprostools.com (CTRL + D to bookmark it)

If you get a signal from the indicator and the above calendar shows that important news announcement is about to come or just happened already - better avoid that signal. Big news can make the market go against you in no time.

NOTE A) It's better to enter a trade when there are no news announcements or when there is news only with low importance.

NOTE B) If you are already in a trade and see that there is a highly important news announcement coming out soon (that affects the pair you are trading on) - exit the trade as soon as possible. The above calendar shows 1 image of a bull for news with low importance, 2 bulls for medium importance and 3 bulls for high importance.

USING THE INDICATOR

When the color of the lines on the candles changes, a new signal is generated.
Blue and red lines indicate the Buy and Sell trends respectively.

ENTRY BUY when a new blue line is formed.
ENTRY SELL when a new red line is formed.

Exiting Trades

1)   Exit trades when PZ ABCD Retracement Indicator gives the opposite trading
signal.
EXIT BUY trend when you see the next red line is formed.
EXIT SELL trend when you see when the next blue line is formed.

2)   Experiment with TakeProfit of 10-20 pips.
Take into account the pair, timeframe and market conditions.

3)   Another exit mechanism is to exit near strong support or resistance levels.

Pairs and Timeframes

All the major pairs and all the timeframes.

Inputs

The appearance of the Blue up arrow trading signal indicates an uptrend. So, forex traders should enter the market with a BUY position with a stop loss below the previous swing low. Generally, the best take profit is at the closing of the CD wave. Though, traders can look to book profit with an excellent risk to reward ratio.

Similarly, the indicator displays a Salmon colored down arrow signal indicating the beginning of a downtrend. So, forex traders should place a SELL trade with a stop loss above the previous swing high. On the other hand, traders can follow the ABCD wave and book profits at the end of the CD wave.

Parameter settings to use:

PZ ABCD Retracement Indicator is a universal system. Since it can be used on many currency pairs and timeframes, the settings will need to be adjusted for the particular combination being traded. This can be easily done by adjusting the settings according to CURRENT market conditions, watching how the indicator looks on the chart when one scrolls back on the chart to see how the indicator works.

NOTE: Make sure to watch a news calendar and avoid trading near any major news or events!

GETTING TO KNOW THE SYSTEM:

TREAT YOUR TRADING LIKE A BUSINESS, NOT A SLOT MACHINE.

Trade and learn from your mistakes.

PATIENCE... Get to know the system by trading on a demo account first. This is very important.