# Trading algorithm template

#### Please use this file as a template only. Change all of its components so it will fit your identity and your trading system

Your name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

I set a goal to test Forex strategies during the next 1 month (at most) on a trading simulator on at least 5 years of historical data until I find the method that works.

Once the backtesting period is over, I must trade do the following during the next 2 months (from April 1 until June 1):

* Trade on a demo account
* Follow all the rules of my trading system
* Publish 1 post about the results of my trading in the social networks on a daily basis

## The rules of my trading system:

#### Should be filled out before starting testing

|  |  |
| --- | --- |
| **Parameter** | **Value** |
| Currency pair | EURUSD |
| Time Frame | H1 |
| Broker | ECN Feed |
| Indicator 1 | Simple Moving Average (60) |
| Indicator 2 | Simple Moving Average (160) |

### Conditions for opening a buy order:

When the SMA (60) crosses the SMA (160) **upwards**

### Conditions for opening a sell order:

When the SMA (60) crosses the SMA (160) **downwards**

### Conditions for closing a buy order:

When the SMA (60) crosses the SMA (160) **downwards**

### Conditions for closing a sell order:

When the SMA (60) crosses the SMA (160) **upwards**

##### Stop Loss & Take Profit

* No Stop loss is used in this strategy
* No Take profit is used in this strategy

### Money management rules:

*Backtesting statistics based on 12 years of historical data*

#### Should be filled out after the testing has been finished

|  |  |
| --- | --- |
| Net Profit (for 12 years) | 4 870 pips |
| Maximum drawdown  | 2 905 pips |
| Initial deposit of the demo account  | $100 |
| Used lot | 0.01 (10 cents per a pip) |
| Risks in one trade | No stop loss – no risks estimations are possible |
| Maximum risk per month | No stop loss – no risks estimations are possible |
| Potential profit a month | 34 pips |
| Potential profit a year | 406 pips |

## Forecast

|  |  |
| --- | --- |
|  | *Deposit growth a month* |
| Best scenario |  |
| Average result | $3,4 (3,4%) |
| At worst |  |