# ANTS ENTRY SET UP

By Daryl Guppy

Following our workshops in Sydeney and elsewhere there has been increased interest in the ANTSSYS method. We provide a recap of the classic trading method. We apply ANTS system trading to FX markets and to E-minis on the DOW and S&P. The approach is most effective in deep and liquid markets. It's the depth of liquidity in the FX market that offers unique advantages for independent traders who want to trade for a living.

The ANTSSYS is designed for spot trading of currency, Index and commodity markets. This is short term trading with no overnight positions. The ANTSSYS method identifies high probability trades with an average profit of around 180 pips per trade. Entered trades have around an 85% probability of success with around 75% of entered trades closed at target or higher.

The ANTS system is now available on the MT4 platform and Oanda via ChartIQ. **Access ANTS indicators using your OANDA credentials to login directly to the ANTSSYS platform at** http://www.antssys.com/ATP_Login/

There are three steps in the ANTS entry set up. They are:
- Compression in the short and long term GMMA
- Confirmation from changes in the range bar colour
- ANTS entry signal inside the defined entry channel.
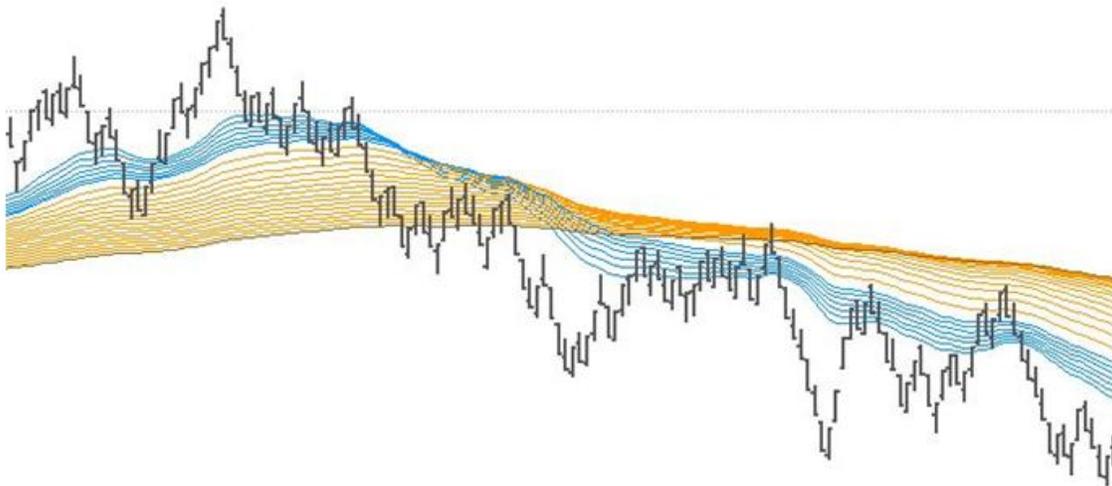
This is the classic entry condition for the GMMA. The long term and short term GMMA have compressed. This shows the entry conditions but it does not help to identify the best entry points.

The use of the Super Guppy – the increased number of calculations of the long term GMMA- gives extra assistance to the turning point identification.
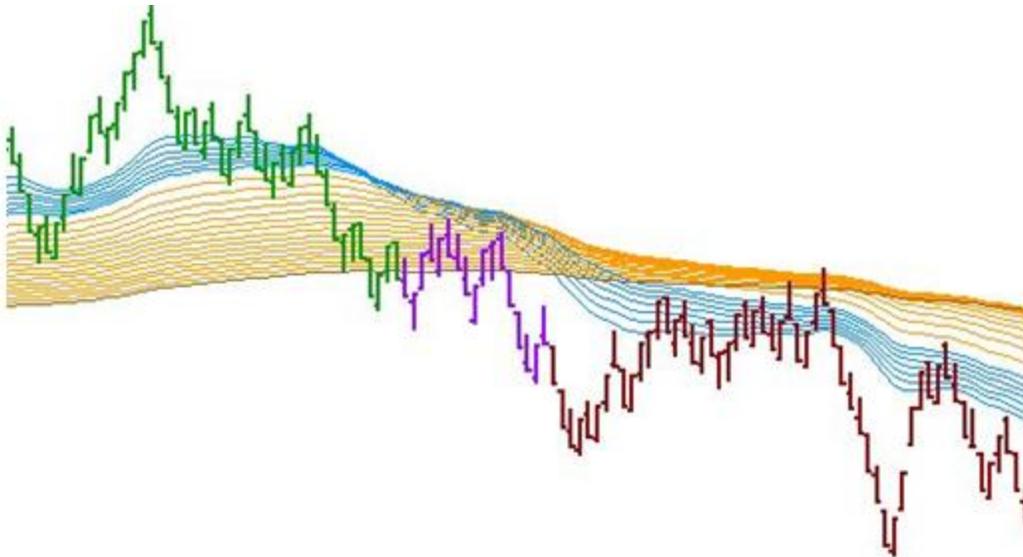
The ANTS system refines the GMNMA signal by changing the colour of the range bars. This colour change is a confirmation that the trend change is genuine. In this screen shot we show the colour change as purple. The shift from long side trading shown by the green bars to short side trading shown by the red bars, is not sudden. There is a period of change confirmation. The trend change is confirmed by the change in colour for the bars. This eliminates false signals.
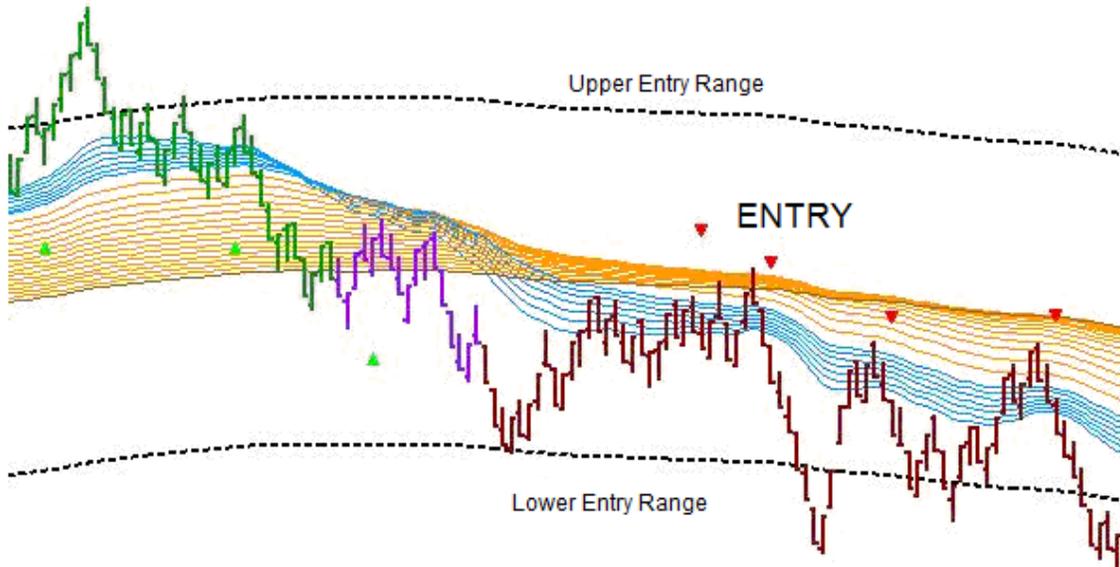
The entry confirmation is finalised with the application of the ANTS signal. There are two components to this. The first component is an entry range band. The second component is the ANTS entry signals. These are the red triangles. The entry signals fire inside the entry channel. These identify high probability entry points. High probability because there is a high probability that the trend will continue in

the direction shown. This combination is very useful in eliminating most of the false signals. While the entry conditions remain valid, the ANTS system will continue to fire entry signals within the entry range.

There are 6 conditions in making the entry.

- Wait for breakout
- Do not chase the breakout
- Enter on retreat and rebound
- Entry point inside the entry zone
- Best is at edge of Super Guppy
- First stop is edge of the entry zone

The ANTS signal alerts traders to suitable entry conditions. This is also available as an SMS or system alert so you do not have to watch the screen all the time. How and where the trader enters is a discretionary decision made by the trader. Once entered the trade is managed using an ANTS system stop loss and calculated trade targets. We look at these in the next article.