

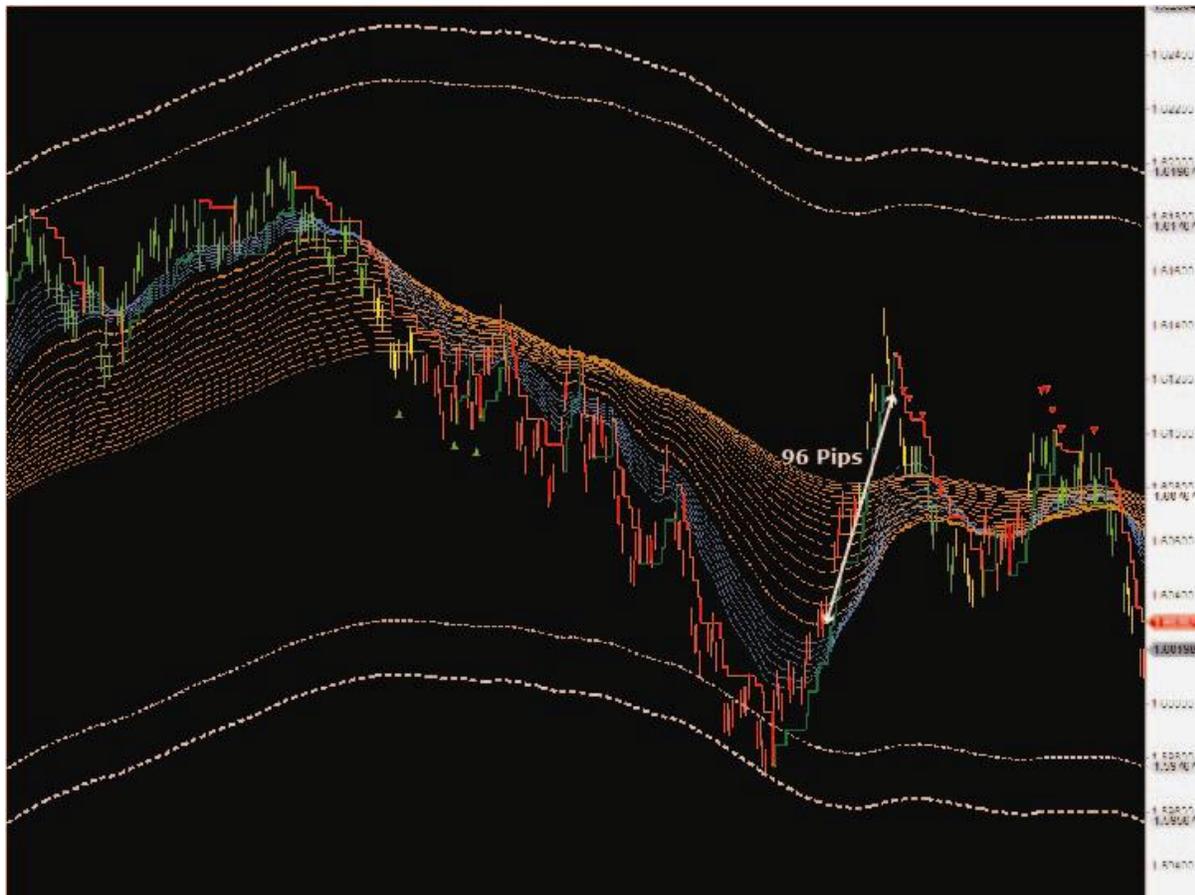
ANTSSYS - ETT

By Daryl Guppy

ANTSSYS-ETT is part of the ANTSSYS Trading Suite of indicators. It is used for trading broader moves in the FX market.

APPLICATION

The ANTSSYS-ETT trading system is designed to pick up broader market moves from an overbought/oversold (OBOS) condition back towards the median. The median trend is the base value of the SuperGuppy. Analysis is done using two charts. The first chart is a long term time frame and the second a shorter term time frame. The long term time frame gives the overall market direction and defines the OBOS condition. Once the OBOS condition is defined we turn to the shorter term time frame for the entry point. This starts with a good breakout condition in the Guppy's followed by an ANTS entry signal. The longer term chart is used to manage the trade using the Traders ATR as our trailing stop loss. A close below this level gives us our exit condition. This system is designed to limit risk by putting traders on the correct side of the trade by identifying when price is most likely to rebound back towards the median and to manage the trade with a trailing stop loss to protect trading capital and profits.



TACTICS

- Enter from OBOS condition
- Ride trend back to median level
- Exit on Traders ATR break

RULES

- Wait until price has hit at least OBOS level 1. OBOS level 2 is better
- Look for ballooning off both the SuperGuppy and FastGuppy to increase the probability of trade success
- Once price is in OBOS and we have identified ballooning, wait for a retracement back towards the median
- When retracement begins change to short term chart
- Look for a gradual turning over of the FastGuppy and SuperGuppy to give a classic Guppy Breakout
- Look for ANTs fires in the correct direction within the trading zone around the Guppy Breakout
- After entering move back to the long term chart. Use the Traders ATR as a trailing stop loss/profit point
- Once price breaks the Traders ATR, exit the trade

ADVANTAGES

- Captures between 60-100 pips. Usually 50%-75% of the 5 day ADR value
- Using OBOS and the ballooning of the Guppys, puts probability on the traders side
- Traders ATR gives precise exit conditions based on technical analysis
- Captures broad market moves with early entry on short term chart.
- Has a high rate of success due to the OBOS condition and the ballooning Guppy's confirmation

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DISADVANTAGES

- Doesn't capture extended long term trends
- Doesn't capture trend turning points