

# **KOBASFX STRATEGY**

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I am not going to bore you by telling you things that are not important. Like my sister always say and I quote “Keeping it simple is the best rule for any game”. I have been trading for quite sometime now and I must tell you, the journey has been so interesting. Although when I started, it wasn’t easy but due to the passion, I found my way in. Along the line, I became a fund manager for some private investors which I decided to call it quit few months ago because I was relocating. It wasn’t easy because I was always looking for trades. The experience has made me to decide that I would only manage funds for maybe a financial institution if given the opportunity.

When I started trading, I lost a lot of money due to so many factors before my eyes were opened. Along the line, I was a able to develop strategies which one of them I will be sharing with my fellow traders here and below.

The strategy is very simple and it is called KobasFX. I will explain everything here but incase you would want me to explain to you one on one or would want me to tutor you on Forex trading, then you would have to pay a token for that.

## **KOBAS STRATEGY**

Timeframe: Any (but I recommend from 15 minutes chart and above)

Indicators: Moving averages (Exponential)

- i. Period 5 (Yellow)
- ii. Period 10 (Magenta)
- iii. Period 15 (Red)
- iv. Period 65 (White)

MACD (Default settings)

You can also change the colors to Red and Dark Turquoise as shown below.



## Entry Signals

The signals are classified into 5 sentiments for the indicators

- i. Bullish
- ii. Bearish
- iii. Consolidation
- iv. Bullish Consolidation
- v. Bearish Consolidation

Which means that the moving averages and the MACD can give signals based on any of the 5 sentiments.

Although, we have four Exponential moving average indicators but, I will classify them as two different indicators i.e, 5, 10 and 15 as one and then 65 as another indicator for our signals.

We now we have:

Indicator 1 - EMA (5, 10, 15)

Indicator 2 - EMA (65)

Indicator 3 - MACD with Red and Dark Turquoise colors.

### **SIGNALS FOR EACH INDICATOR**

Indicator 1: Whenever there is a crossover of the three EMA (5, 10, 15), then wait until they split distinctively according to the periods or colors as shown on the chart, then a BUY or SELL is confirmed depending on the direction at that point in time (Bullish or Bearish).

If they are all together, that means consolidation.

Indicator 2: Check the angle of the 65 EMA

Upward angle: Bullish (BUY)

Downward angle: Bearish (SELL)

Flat: Consolidation (NO TRADE)

Indicator 3: MACD

Red line is the MACD signal line

Dark Turquoise bars are the MACD cloud

Zero level (0.00) separates BUY/SELL regions

If the Red line is above the zero level (0.00), that means BUY (Bullish) but if it is below the zero line it means SELL (Bearish).

If the Dark Turquoise bars are above/below the zero line, that means BUY (Bullish)/SELL (Bearish).

If the MACD signal line (Red line) is inside the MACD cloud (Dark Turquoise), above/below the zero (0.00) line, that means BUY(Bullish)/SELL(Bearish).

If the MACD signal line (Red line) comes out from the MACD cloud (Dark Turquoise) above/below the zero (0.00) line, that means Bullish consolidation/Bearish consolidation.

Now, let me bring everything together. You must make sure that you consider these five sentiments before taking a trade:

- i. Check the three EMA (5, 10, 15).
- ii. Is the market trading above or below the white line (65 EMA)?
- iii. Check the angle of the white line (65 EMA).
- iv. Check if the MACD signal line (Red line) is above/below the zero(0) level
- v. Check if the MACD signal line (Red line) inside the MACD cloud.

Let's apply all the rules on the market and see:



As you can see on the chart above, the 3 EMA (5, 10, 15) separated (**SELL**) and the candles are below the white line (**SELL**). The white line (65 EMA) was angling down

(SELL) and at the same time the MACD signal line (Red line) was below the zero level (0.00) (SELL) and entering the MACD cloud (Dark Turquoise) (SELL).

For every signal, make sure the five sentiments shows BUY/SELL before you take a trade.

### Exit Signals

You can pullout from a trade when the MACD signal line (Red line) comes out of the MACD cloud for short time traders or when the signal line crosses above/below the zero level (0.00) in an opposite direction of our trade for position traders. Look at the chart below:





I think this will help. In case you want to ask me any question, my details are below. You may also want to donate a token maybe for the time taken in preparing the e-book, you can send that to my Liberty reserve account (Account no: U3777763) or contact me about that.

If you want everything about this strategy and the way I use it in more details, then you can contact me. Thanks for your time.

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