

Module 14: Question and Answers

Please submit any questions you may have. The answers will be published in this section

Question 1: Trending Markets

It seems like when trading the hedged grid system you are mainly betting that the market will correct to a certain level, and you're willing to wait out the drawdown for it to correct. But what if it does not correct? I know that some markets drop 1600 pips in 2-3 days with very little correction. Am I right that this method presumes that there will be a correction, and if so, what do you do if it does not correct?

Yes, the system does require the price to wave up and down either horizontally or in a slowly trending market. The skill therefore lies in the ability to select a currency that is not likely to trend or / and a grid size that will turn the trend into a sideways movement and the investment horizon or timespan.

In your example above you may find that selecting a 1000 grid gap may turn the currency into sideways trading currency. This is for instance appropriate for the GBPJPY where investors who have chosen a 2 to 3 year investment horizon. The currency has ranged 3000 pips this year alone and selecting a 1000 pip grid gap has grossed some traders 7000 pips so far this year . 4500 to 6000 pips a year is acceptable for conventional trading so this is exceptional.

Click on the chart below to enlarge.

{gallery}01/grid12{/gallery}

If the price however does not correct you apply all the methods mentioned in the course to hedge the situation. It is very important to understand that the using this method at best you are trying to breakeven or contain losses in a trend and make money in a sideways market.

Question 1 Costs

What does your system cost?

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Firstly, it is not our system – we make more money trading conventionally than using the Grid system. We are providing information about a system used by many traders from all over the world via the free course.

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We do have a monthly subscription for \$ 80.00 which allows you to view the current grid trading groups and join them when the price is appropriate. We sometime start a new group should there be a demand for this. When group achieve a good positive result we some times cash in and start a new trading group or join 2 groups into 1.

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This subscription service is mainly a guide on how to use the grid system so we help with the currency selection and grid sizes and hedging methods. Many traders only use the subscription service for 2 or 3 months because there is no rocket science to the method and they can trade the grid system using their own preferences.

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You can subscribe using the following link:- <http://www.forextrading-alerts.com>