Omega Trend EA

User Guide

Contents:

Getting Started

Before installing Omega Trend EA on your computer and commencing trading on a real account, please read this carefully: it may be crucial for your future profits.

Trading FOREX entails risk and each instance of negligence or inattention may lead to significant loss!

1. We strongly recommend that you operate a demo account before trading with real money. This will help you become familiar with the way Omega Trend EA operates before you commit genuine funds to a real money account.

2. Please be exceptionally careful when determining trading volumes and setting automatic risk management parameters!

3. If you suspect that Omega Trend EA might be operating incorrectly, please halt operations and contact us immediately!

WHAT YOU MUST KNOW BEFORE USING Omega Trend EA

- Omega Trend EA was developed especially for the GBPUSD and EURUSD currency pairs.

- Omega Trend EA is compatible with all MetaTrader 4 brokers, as well as with brokers using ECN-type order fulfilment. You do not need to change any settings.

- Omega Trend EA is entirely compatible with NFA-regulated brokers applying No Hedge and FIFO.

- Omega Trend EA automatically recognises whether your broker offers four or five-digit quotes. You do not need to change any settings. On no account multiply TakeProfit and StopLoss values by 10 if your broker offers five-digit quotes.

- We do not recommend that you launch and close your trading terminal too often. Ideally, it ought to work without interruption from market opening on Monday to closure on Friday.

- For problem-free operation, use a computer with a minimum configuration: 2 GHz processor, 2 GB RAM, and Windows XP, Windows Vista, Windows 7 or Windows 8 operating system.

- Maintaining a stable internet connection is of the essence to ensure reliable Omega Trend EA operation.

- It is the spreads offered by your broker that chiefly determine how much profit you can make by using Omega Trend EA. The recommended spread for EURUSD is under 2 pips and for GBPUSD under 3 pips.

The MetaTrader 4 (MT4) Trading Platform

Omega Trend EA operates within the MetaTrader4 trading platform. MT4 is a free trading platform available through most FOREX brokers.

If you do not have MT4 installed on your computer, you can download a copy by going to one of the following brokers and requesting a demo account:

www.finfx.fi
www.alpari.ru
www.alpari.co.uk
www.fxpro.com
www.fxdd.com
www.fxopen.com
www.thinkforex.com

This list is for reference only. We are not affiliated with any broker.

Installing MetaTrader 4

Browse through this section if you are familiar with MT4 and already have a broker account.
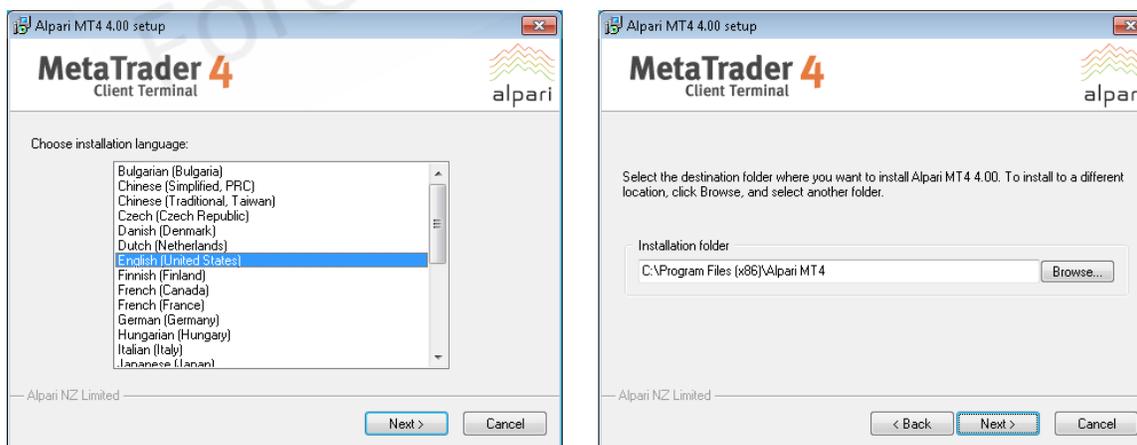
After completing installation, you will be asked to create a demo account. Fill in the details and select the amount of the account deposit. Enable *Agree to subscribe to your newsletters*, then click *Next*.
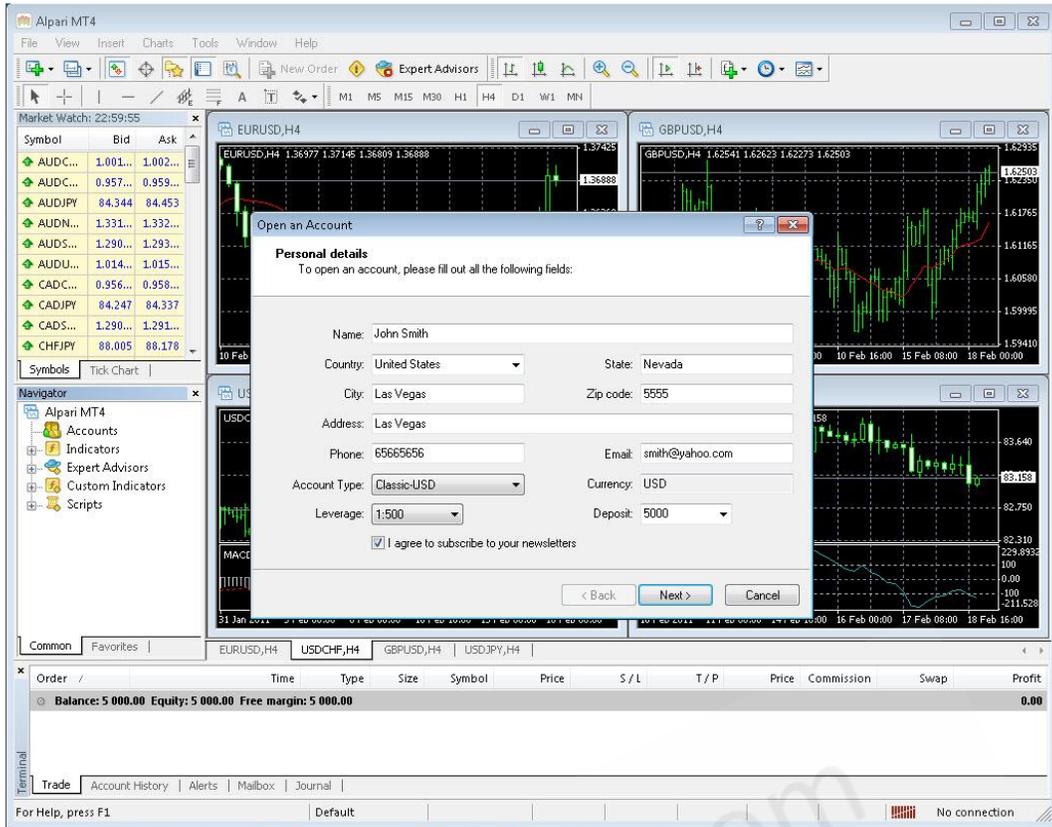
The program will ask you to select the trade server to which it should connect. Click *Next*. In the next window, click *Finish*.
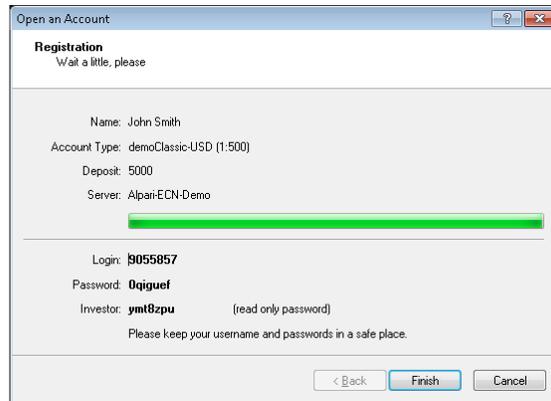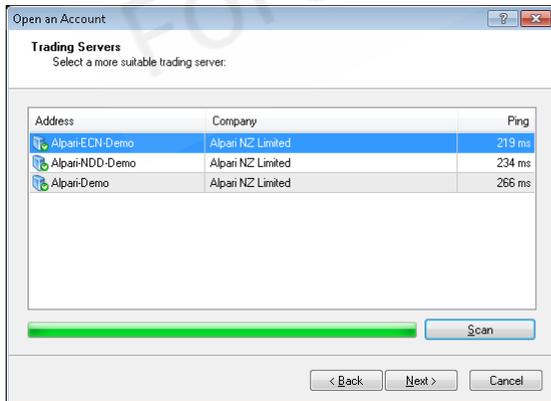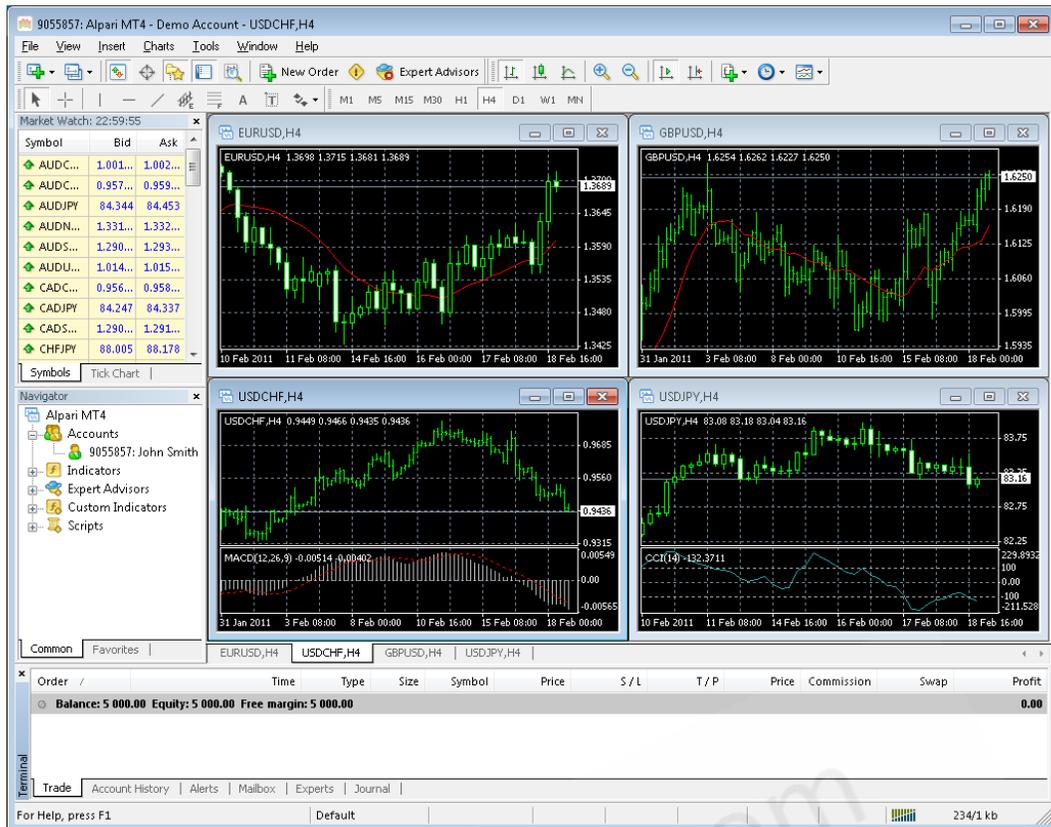
Your demo account is opened. Close MT4 so that you can install Omega Trend EA.

Installing Omega Trend EA

We offer you two ways of installing our software:

Automatic Installation
(Using OmegaTrendInstaller.exe)

❖ After logging into the download page with the username and password provided, download "OmegaTrendInstaller.exe" from your personal download page to a convenient location on your computer.

❖ Install Omega Trend EA. During installation, select the installation folder of your MetaTrader4 terminal. This folder would usually have the name of your broker and would be found in C:\Program Files, or C:\Program Files (x86) for 64 bit systems.
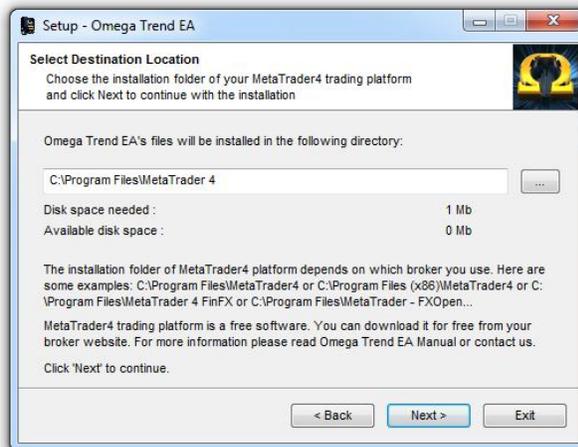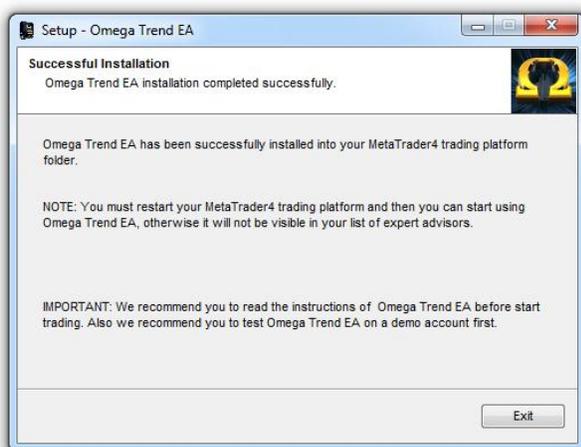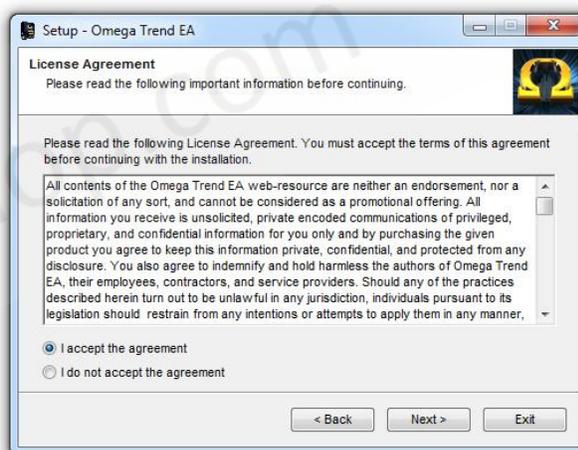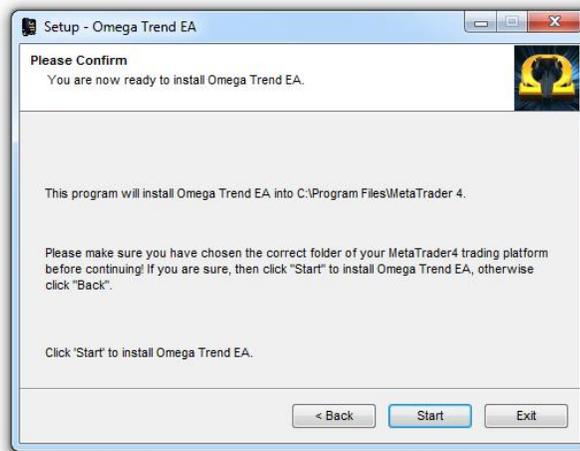
❖ If you did not close your MetaTrader4 terminal before Omega Trend EA installation, you would need to restart it now.

Manual Installation
(by Omega Trend files copying)

❖ After logging into the download page with the username and password provided, download the EA files: OmegaTrendEA_v7.0_GBPUSD.ex4 and OmegaTrendEA_v7.0_EURUSD.ex4, the indicator file: OmegaTrend_v7.0.ex4 and the OmegaTrend.dll file to a convenient location on your computer.

❖ Copy the EA files OmegaTrendEA_v7.0_GBPUSD.ex4 and OmegaTrendEA_v7.0_EURUSD.ex4 into the Experts folder within the MetaTrader4 trading terminal directory.

❖ Copy the indicator file OmegaTrend_v7.0.ex4 into the Experts\Indicators folder within the MetaTrader directory.

❖ Copy the file OmegaTrend.dll into the Experts\Libraries folder within the MetaTrader directory.

❖ If you did not close your MetaTrader4 terminal before Omega Trend EA installation, you would need to restart it now.

Activating Omega Trend EA

You should activate your copy of Omega Trend EA for your demo and real accounts through our website. Login to the download page with your e-mail address and your order ID number as a password and then find the account activation fields. Type your account number into the input field, choose **DEMO** or **REAL** and click **Activate**. Repeat this procedure for each account. You need to activate the demo accounts in the demo account activation field, and the real money account in the real money account activation field.

Your Omega Trend EA licence is valid for **2 demo** accounts and for **1 real money** account. The licence is not tied to one computer. You are free to trade using your accounts on any computer at home, in the office, or VPS.

As well, you have an option to remove an account that you do not use and activate a new account on its place.

You ought to activate your demo or real account even if you wish to backtest Omega Trend EA.

Account Activation

Account number	Type	
	DEMO ▼	Activate

Activated Accounts

#	Account Number	Type	
1	56146514561	REAL	✖

IMPORTANT: You may activate up to **1 REAL** and **2 DEMO** accounts!
You are free to delete accounts from the list above and replace them with new ones at any time.

The online authentication of Omega Trend EA may take some time.
If you see an "**Online authentication failed! ...**" alert, make certain that your account is activated, restart your MataTrader 4 terminal and try again.
If the problem persists, contact us at:
support@omega-trend.com

Starting and Configuring Omega Trend EA

After installing and activating Omega Trend EA, launch your trading terminal and click **Tools->Options**.
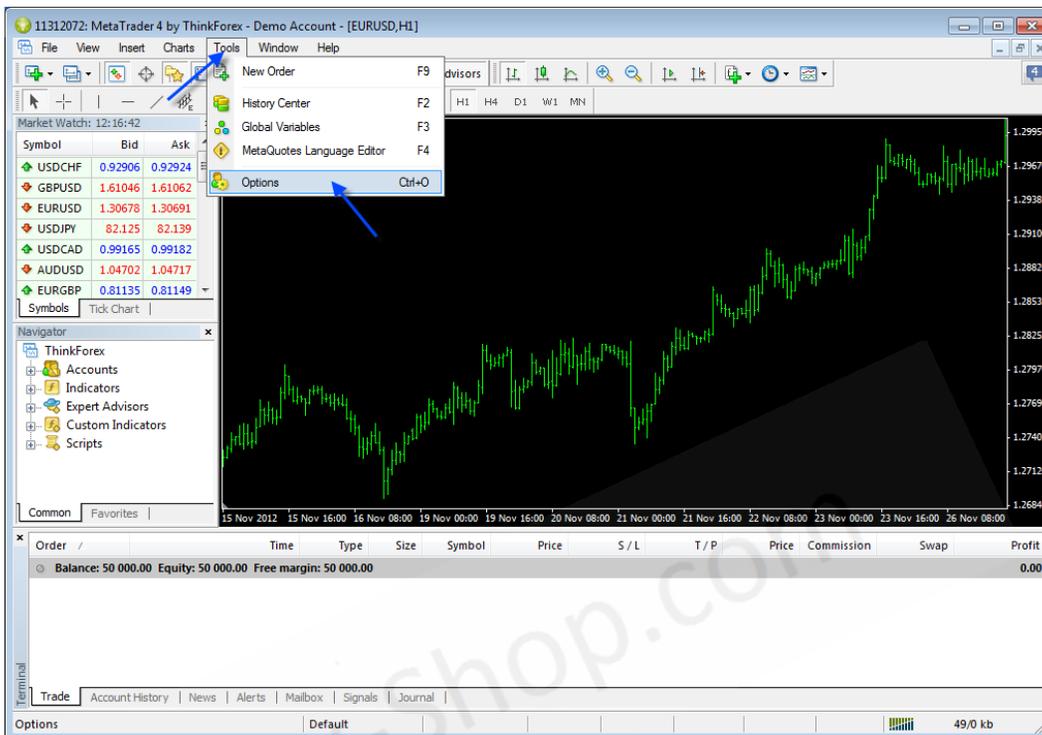
At this stage, make certain that you have checked and unchecked all the boxes exactly as shown below in order to ensure correct Omega Trend EA operation.
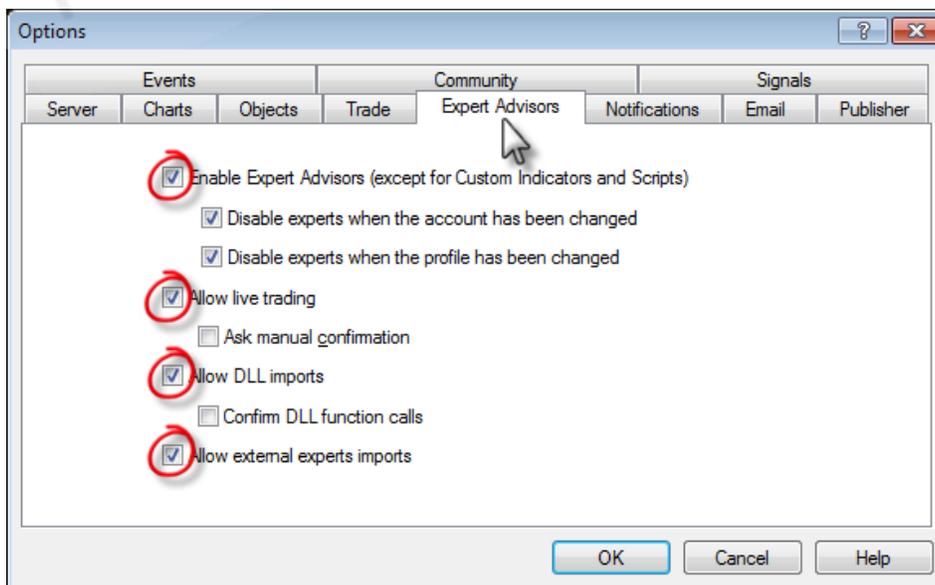
Now, open the graphs for the currency pairs you wish to trade. We recommend Omega Trend EA for the GBPUSD and EURUSD currency pairs. Select the H1 graph.
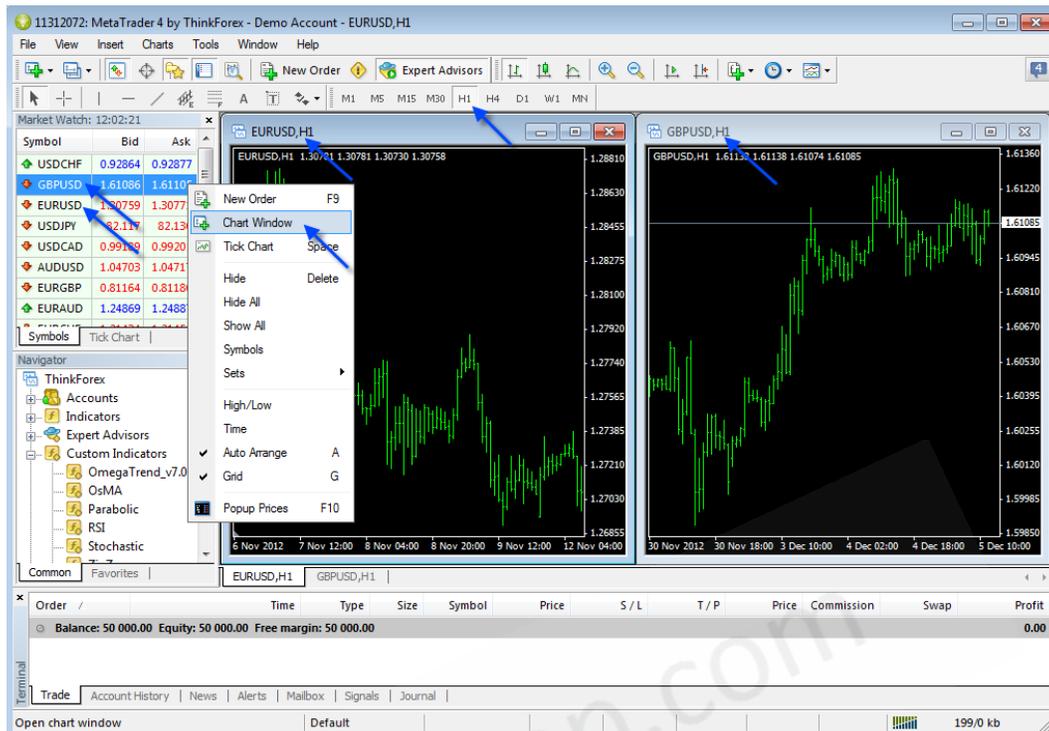
Now you are ready to place Omega Trend EA on the chart. In the Navigator window, double click Expert Advisors to expand it. You should now see all Expert Advisors including Omega Trend EA. Now, you can right click Omega Trend EA and select Attach to a Chart, or alternatively simply drag Omega Trend EA onto the chart.

If you wish to display the Omega Trend Indicator on a chart, in the Navigator window double click Custom Indicators to expand it. You should now see all custom indicators including the Omega Trend Indicator. Now, you can right click Omega Trend Indicator and select Attach to a Chart, or alternatively simply drag it onto the chart.
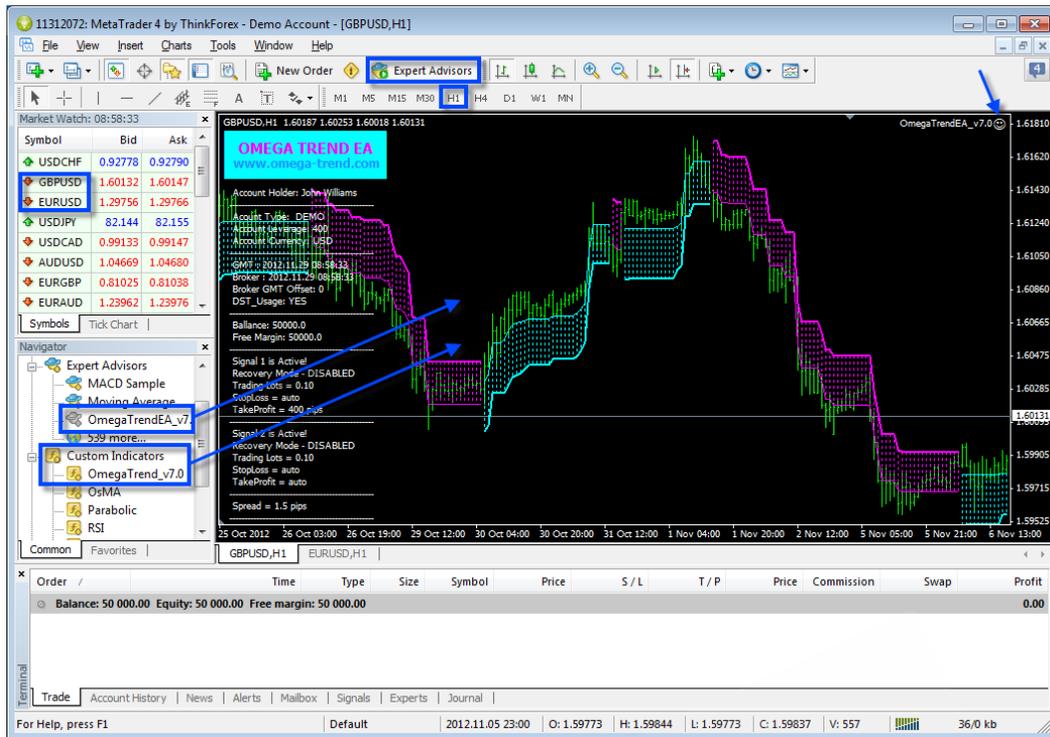
After placing Omega Trend EA on the chart, **you should see a smiley face in the upper right hand corner of your chart.** This means the robot is running. If you do not see a smiley face, make certain that under Properties on the menu bar, the Allow Live Trading box is checked. If it is checked and you still do not see a smiley face, go to Tools on the menu bar and select Options. A popup will appear. Select the Expert Advisors Tab and check both the Enable Expert Advisors box and the Allow Live Trading box.

You can enable or disable Omega Trend EA from the Expert Advisor button at any time.

Omega Trend EA Basic Information

The Omega Trend Indicator is an advanced tool that has been specifically designed to detect market trends early, and follow them successfully. The Omega Trend Indicator draws two lines. The main (thicker) Trend Line represents the presumed lower or upper volatility limits of the current market trend. A break in the main Trend Line indicates a potential reversal or shift in the movement of the trend. The Trend Line also indicates the best point to place a stop loss order. In Omega Trend EA, the Trend Line indicates the exact point of the initial stop loss, as well as where the trailing stop is moving. For uptrends the Trend Line is blue, for downtrends it's pink (see Figure 1).
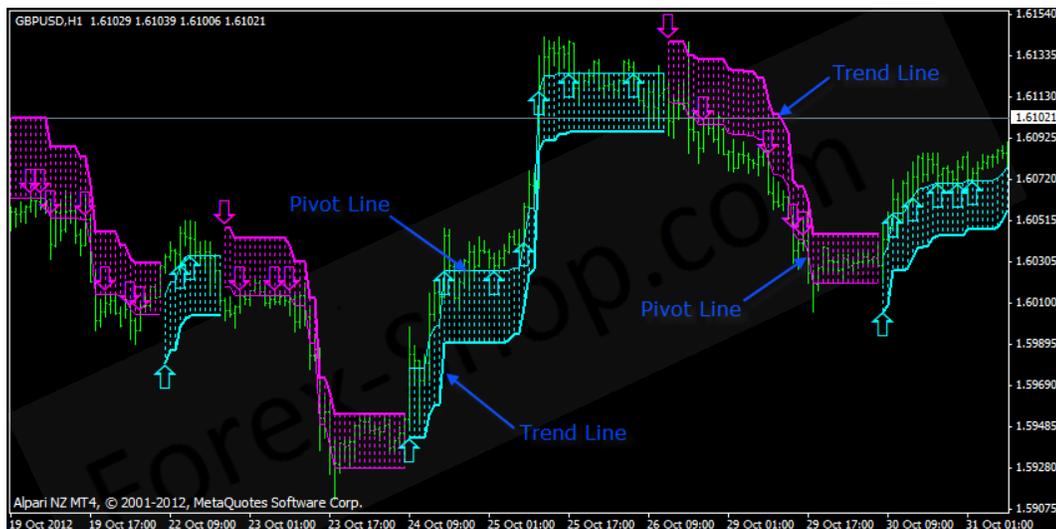
Figure 1

The secondary (thinner) Pivot Line represents the presumed Pivot level of the market. Breaks in this line can be used for short-term/scalping trades following the current market trend indicated by the Trend Line.

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How to Use Omega Trend Indicator
for Successful Manual Trading

Although the Omega Trend Indicator's signals are clear and easy to interpret (see Figure 2), there are a few steps you should follow to filter out false trading signals.
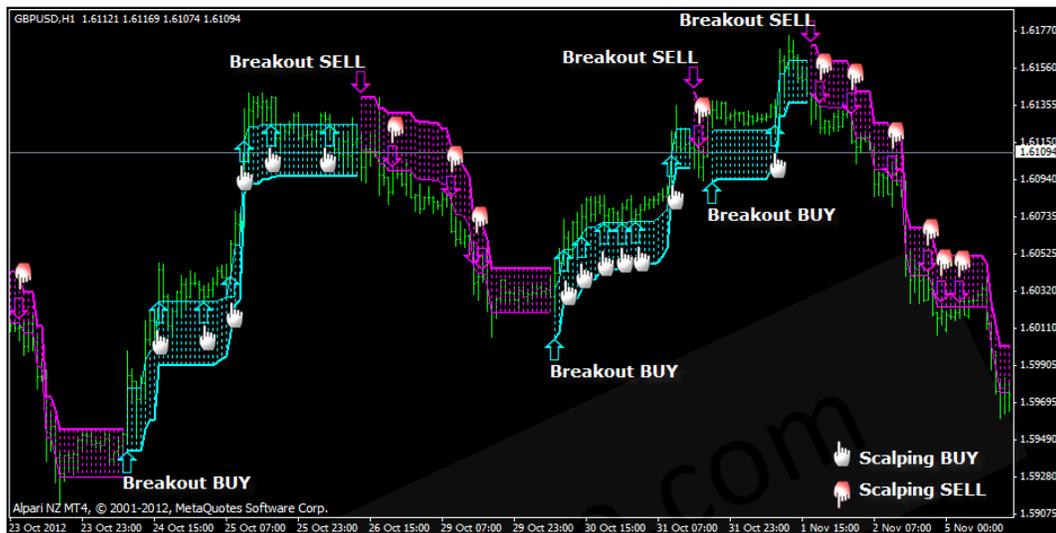
Figure 2

First, you need to be able to recognize a choppy market and try to ignore it. A choppy market is a market that is highly volatile but results in no overall price movement, in either direction. These price spikes and sharp rebounds from the range borders can generate a series of poor signals. In Figure 3, you can see an example of a choppy market.
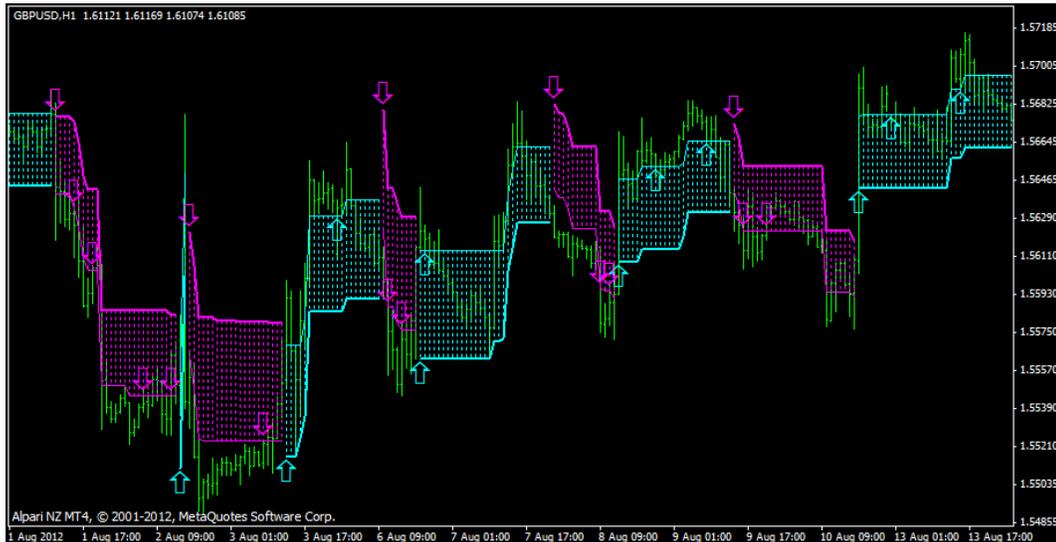
Figure 3

A choppy market presents the worst possible conditions for any breakout or impulse trading strategy. If you use the Omega Trend Indicator under these conditions, don't be surprised if you have poor results.

Omega Trend Indicator signals are at their most reliable, when following the market in trend or swing mode. Avoid trading in periods of low liquidity. In these periods, the market is generally in a narrow range. Periods of low liquidity normally occur after the close of the NY trading session and often throughout the entire Asian session. The best signals from the Omega Trend Indicator could be expected during the London and the NY trading sessions (8-21 GMT). Timing is crucial in FOREX trading for the profits, especially with breakout and impulse-following strategies. For this reason, Omega Trend EA includes several optional timing filters.

Omega Trend EA and Omega Trend Indicator Settings

Omega Trend Indicator Settings:

You can edit Omega Trend indicator settings by double clicking on the Omega Trend indicator trend line.
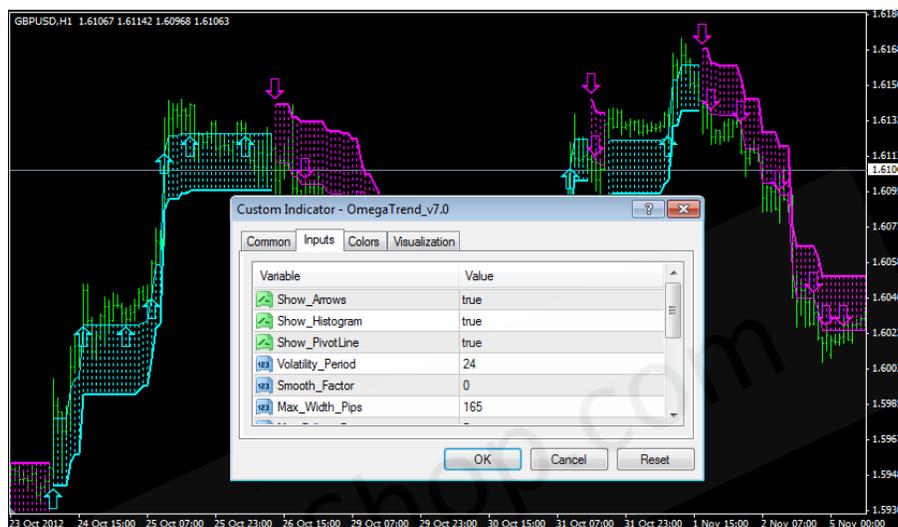
Volatility_Period - the period when volatility is calculated.

Smooth_Factor - the smoothing factor of Omega Trend lines. The default value of the Smooth_Factor is zero, which means that smoothing is not used.

Max_Width_Pips – the maximum distance allowed between the Trend Line and the market price in standard 4 digit pips. This parameter limits the initial stop loss and the trailing stop values.

Min_Follow_Pips - the minimum distance allowed between the Trend Line and the market price in standard 4 digit pips. This parameter defines the minimal value allowed for the trailing stop.

Var_Prefix – a system variable. *If you wish to activate the indicator trade alerts, enter "alert" here.*

TrendLine_Level - this parameter defines the relationship between market volatility and movement of the Trend Line towards the market price.

PivotLine_Level - this parameter defines the correlation between market volatility and the movement of the Pivot Line towards the market price.

Bar_Acceleration – an acceleration constant that controls the Trend Line's convergence with the market price after every chart bar. If the Bar_Acceleration value is zero, this method is not applied.

Profit_Acceleration - an acceleration constant that controls the Trend Line's convergence with the market price based on the realized profit. If the Profit_Acceleration value is zero, this method is not applied.

Max_Bars – the maximum number of bars allowed for the Omega Trend Indicator to calculate and visualize.

Omega Trend EA Settings:

You can edit OmegaTrendEA settings by right clicking anywhere on the chart and selecting Expert Advisors -> Properties.
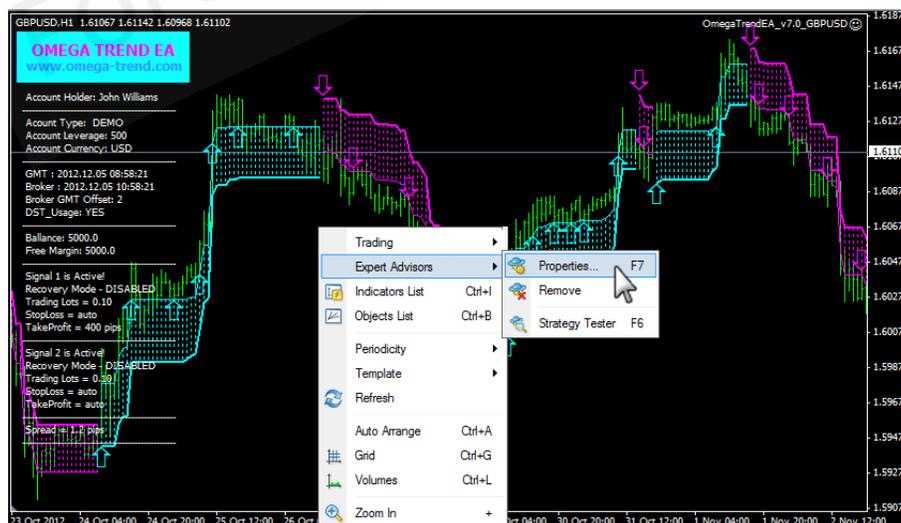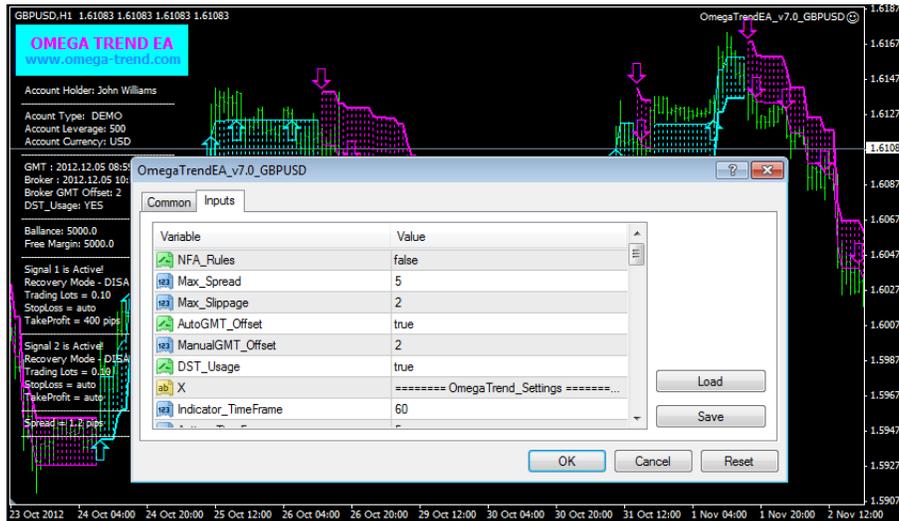
NFA_Rules true/false - switch to "true" if your broker is NFA regulated.

Max_Spread - maximum allowed spread.

Max_Slippage - maximum allowed slippage.

AutoGMT_Offset true/false - if TRUE is used, the EA will automatically obtain your broker's GMT (Greenwich Mean Time) offset. This setting is used in live mode only. For backtesting, set the parameter ManualGMT_Offset to the correct value for your broker.

ManualGMT_Offset true/false - Enter your broker's GMT (Greenwich Mean Time) offset in this field (this is necessary only if you use AutoGMT_Offset=false, or if you want to make a backtest).

DST_Usage true/false - if your broker switches the server time between winter and summer Daylight Saving Time (DST), set **DST_Usage**=**true.**

Omega Trend Settings

Indicator_TimeFrame - the time frame of Omega Trend Indicator calculation. The default value is 60 (minutes). This means that the Omega Trend Indicator is calculated on the basis of the H1 chart. Omega Trend EA is tuned to the H1 time frame. However, you can make your own tests with different time frames using 1 for an M1 time frame, 5 for an M5 time frame, 15 for an M15 time frame, 30 for an M30 time frame, 60 for an H1 time frame, 240 for an H4 time frame and 1440 for a D1 time frame.

Action_TimeFrame – this parameter specifies the sensitivity of the execution of the signals and helps to minimize poor signals. The default value of Action_TimeFrame is 5. This means that a new position will only be taken when a new M5 bar is opened. A zero

value for the parameter will remove any restrictions, allowing a new position to be taken at any time.

Volatility_Period – the same as the OmegaTrend Indicator Volatility_Period

Smooth_Factor - the same as the Omega Trend Indicator Smooth_Factor

Max_Width_Pips - the same as the Omega Trend Indicator Max_Width_Pips

Min_Follow_Pips - the same as the Omega Trend Indicator Min_Follow_Pips

TrendLine_Level - the same as the Omega Trend Indicator TrendLine_Level

PivotLine_Level - the same as the Omega Trend Indicator PivotLine_Level

Bar_Acceleration - the same as the Omega Trend Indicator Bar_Acceleration

Profit_Acceleration - the same as the Omega Trend Indicator Profit_Acceleration

Signal 1 Settings

Signal_1 (1, 0, -1) – switches on (1)/off (0) the Signal 1 trades. If -1 value is used, switches to stealth mode with hidden stop loss and take profit orders.

RecoveryMode_1 true/false - when Recovery Mode is activated, an advanced algorithm will attempt to compensate for the current drawdown by increasing trading volumes. This mode is active only when AutoMM is greater than zero (AutoMM > 0). Before activating Recovery Mode, please bear in mind that it can significantly increase the risk to your account. For this reason, Recovery Mode ought only to be used at low values of the AutoMM parameter.

Fixed_Lots_1 - a fixed trading volume if you wish to use your own lot size. In this case leave AutoMM_1=0.

AutoMM_1 - automatic risk managemen. Activates at values greater than zero:

- Example 1: at AutoMM_1 = 2, Omega Trend EA opens positions equal to 0.2 lots (20,000) given an account that extends to 10,000.

- Example 2: at AutoMM_1 = 10, Omega Trend EA opens positions equal to 1 lot (100,000) given an account that extends to 10,000.

AutoMM_Max_1 - the maximum permitted risk, expressed as a percentage of the account per individual transaction calculated based on a 100 pip loss. The AutoMM_Max_1 value matters only when you use RecoveryMode_1=true.

Magic_1 - identifies Signal_1 Omega Trend EA trades. In order to avoid confusion with the EA managing its own trades, make sure that this number is not used by any other Expert Advisor.

Signal_1_TakeProfit – a fixed take profit value for Signal 1

Signal_1_StopLoss - a fixed stop loss value for Signal 1. If a value of zero is used, the stop loss level coincides with the Omega Trend Indicator's Trend Line.

Signal_1_StrongPips – this parameter defines the minimum

break on the price through the Omega Trend Line – necessary for the generation of a new trade signal. The default value is zero, which means that a pip break in the Trend Line is enough to generate a signal. If you use a greater value for Signal_1_StrongPips, it will hypothetically increase the profit factor of the system. It will also reduce the frequency of Signal 1.

Hour_Filtering true/false – switches on/off the hour filtering for Signal_1

TradeHour1 to **9** – hours of the day permitted for trading for Signal_1

Swing_Filtering true/false - switches on/off a filter for Signal_1, based on the minimal distance allowed between the market and the moving average.

Swing_MA_Period – the average period of swing filter movement.

Swing_Impulse – the minimum distance allowed between the market price and the swing filter's moving average, in pips.

NoTradeDay - day of the week without trading.

Signal 2 Settings

Signal_2 (1, 0, -1) – switches on (1)/off (0) Signal 2 trades. If the value -1 is used, switches to stealth mode with hidden stop loss and take profit orders.

RecoveryMode_2 true/false - when Recovery Mode is activated, an advanced algorithm will try to compensate for the current drawdown by increasing trading volumes. This mode is active only when AutoMM is greater than zero (AutoMM > 0). Before activating Recovery Mode, please bear in mind that it can significantly increase the risk to your account. For this reason, Recovery Mode should only be used at low AutoMM parameter values.

Fixed_Lots_2 - a fixed trading volume, if you wish to use your own lot size. If you do, leave AutoMM_2=0.

AutoMM_2 - automatic risk management. Activates at values greater than zero:

- Example 1: at AutoMM_2 = 2, Omega Trend EA opens positions equal to 0.2 lots (20,000) given account extent of 10,000.

- Example 2: at AutoMM_2 = 10, Omega Trend EA opens positions equal to 1 lot (100,000) given account extent of 10,000.

AutoMM_Max_2 - the maximum permitted risk expressed as a percentage of the account per individual transaction, calculated on the basis of a 100 pip loss. The AutoMM_Max_2 value matters only if you use RecoveryMode_2=true.

Magic_2 - identifies Signal_2 Omega Trend EA trades. To distinguish its trades from those of other EAs, please ensure that this number is not used by any other Expert Advisor.

TargetFactor - an automatic take profit calculation coefficient.

Signal_2_TakeProfit - a fixed take profit value for Signal 2. If zero value is used, take profit will be calculated based on the **TargetFactor** parameter.

Signal_2_StopLoss - a fixed stop loss value for Signal 2. If zero value is used, the stop loss level will coincide with the Omega Trend Indicator's Trend Line.

Signal_2_Exit_Profit – the value of the realized profit in pips, at which point the position will be closed, if the price movement starts to slow down. A value of zero will switch off this exit rule.

MinStop – a minimum automatic stop loss value for Signal 2, which will automatically execute the signals. Signals with a lower automatic stop loss value will be ignored.

IgnoreSmallStopTredes true/false – if TRUE I used, all Signal 2 trades with an automatic stop loss lower than the **MinStop** parameter will be ignored.

NOTE: *The Omega Trend EA is configured to trade in specific market conditions and this reduces the trading frequency. If you wish to see a higher trading frequency you can change the following parameters as shown:*

For Signal 1:
Hour_Filtering to **false** (we recommend this only for experienced traders with opinion about the market timing)
Swing_Filtering to **false**
NoTradeDay to **0**

For Signal 2:
IgnoreSmallStopTredes to **false**

Risk Management

Risk management is of fundamental importance in attaining optimum FOREX trading results. It pays to think carefully before deciding what percentage of your account to expose to risk in each individual transaction.

If your account is significant in extent and importance and if you do not wish to take unnecessary risk, then you ought to settle for **AutoMM** values between 1 and 5 per cent risk per individual transaction. In such case, you may expect a return on investment in the order of 10 to 100 per cent on an annual basis.

If your account is not significant in extent or importance, and if you can afford to assume significant risk, then you may select **AutoMM** values between 10 and 20 per cent per individual transaction. In such case, you may expect a return on investment in the order of 200 and 1000 per cent on an annual basis. Bear in mind, however, that the level of risk assumed means that the chance of losing the entire account increases.

In reality, perhaps the most widely assumed risk per individual transaction is 5 per cent (AutoMM=5), and for a good reason. Assuming 5 per cent risk and applying a good trading strategy, your chances of steady long-term profit are significant, while the risk of losing the entire account is minimised.

For example, if you have a USD 10,000 account, then:

- If AutoMM=0, the EA will trade with volume = parameter FixedLots (defaults FixedLots=0.1)
- If AutoMM=2 (2 per cent risk) the EA will open 0.2 lot positions (20,000)
- If AutoMM=5 (5 per cent risk) the EA will open 0.5 lot positions (50,000)
- If AutoMM=10 (10 per cent risk) the EA will open 1.0 lot positions (100,000)

How to Back-Test Omega Trend EA

Please, do not forget to activate your demo or real account, even if you only wish to backtest Omega Trend EA!

If you wish to back-test Omega Trend EA, first you should download history from the MetaTrader history center: click *Tools -> History Center*, or press the "F2" key of the keyboard. In the list, find the currency pair that you wish to back-test and double click to expand it. Click "1 Minute (M1)" and then click "Download". When the download process is finished, double click on "5 Minutes (M5)" and "15 Minutes (M15)" to convert the M1 data. Close the "History Center" window.
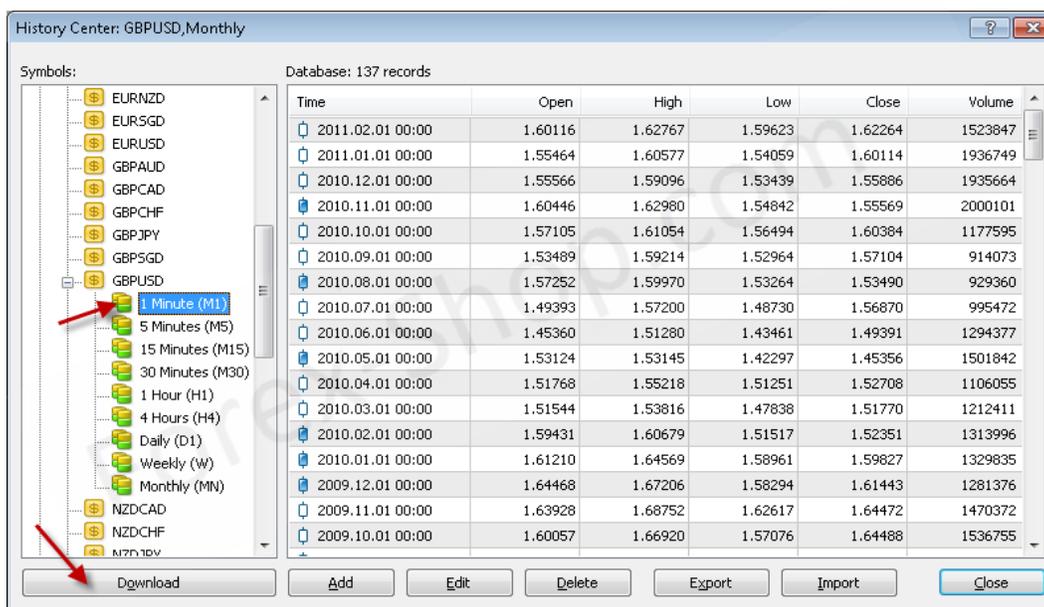
To open the "Strategy Tester" window click the "Strategy Tester" button of the MetaTrader menu, or press "Ctrl+R" on the keyboard. In the "Strategy Tester" window chose "Omega Trend EA", chose one of the supported currency pairs (EURUSD or GBPUSD), chose H1 timeframe, chose the method "Every tick ...", as shown below. Click "Start" to start the back-test.
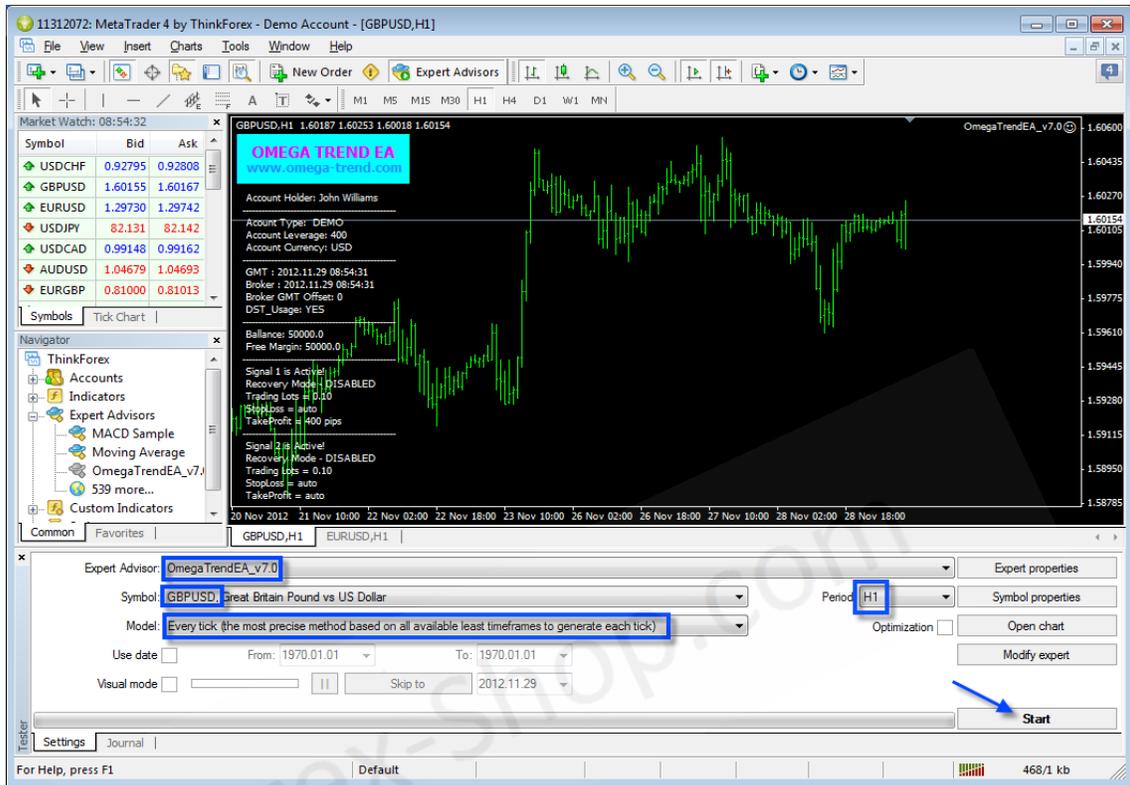
The back-test by "Every tick" is the most precise, but it is very slow. If you wish to save time you can run the back-test on M1 timeframe by "Open price only ..." method and this will be correct too. Smooth equity growth, no major losing periods!

We strongly recommend that you operate a demo account before trading with real money. This will help you become familiar with the way Omega Trend EA operates before you commit genuine funds to a real money account.

If you have any problems, or questions with Omega Trend EA, please do not hesitate to contact us at:

support@omega-trend.com

Terms of Use and Risk Disclosure

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The past performance of any trading system or methodology is not necessarily indicative of future results. Trading foreign exchange on margin carries a high level of risk and is not suitable for all investors. The high degree of leverage can work against you. As with all investments, you should not invest money that you cannot afford to lose. Before deciding to invest in foreign exchange, you must carefully consider your investment objectives, level of experience, and risk appetite. Additionally, you must be aware of all the risks associated with foreign exchange trading and seek advice from an independent financial advisor. Past results are not necessarily indicative of future success.

CFTC RULE 4.41 – HYPOTHETICAL OR SIMULATED PERFORMANCE RESULTS HAVE CERTAIN LIMITATIONS. UNLIKE AN ACTUAL PERFORMANCE RECORD, SIMULATED RESULTS DO NOT REPRESENT ACTUAL TRADING. ALSO, SINCE THE TRADES HAVE NOT BEEN EXECUTED, THE RESULTS MAY HAVE UNDER-OR-OVER COMPENSATED FOR THE IMPACT, IF ANY, OF CERTAIN MARKET FACTORS, SUCH AS LACK OF LIQUIDITY. SIMULATED TRADING PROGRAMS IN GENERAL ARE ALSO SUBJECT TO THE FACT THAT THEY ARE DESIGNED WITH THE BENEFIT OF HINDSIGHT. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFIT OR LOSSES SIMILAR TO THOSE SHOWN.

By using **Omega Trend EA**, you acknowledge that you are familiar with these risks and that you are solely responsible for the outcomes of your decisions. We accept no liability whatsoever for any direct or consequential loss arising from the use of this product. It's to be noted carefully in this respect, that past results are not necessarily indicative of future performance.

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