

60 Second Trades

Trading 60 Second Binary Options

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Introduction

I started my trading career some 30 years ago buying and selling FTSE options. Of course, this was back in the days before computers, much less the Internet and so we had to telephone the broker and hang on the line while he found another trader to take the other side of the trade! For data, I used to have a dedicated pager which received all the market quotes and literally used to numb my hand from the radiation of so much data. It cost about £200 a month, which is probably close to £1,000 by today's prices.

Then came the exciting development of online, instant trading – a quantum leap that started a revolution allowing anybody to trade. And they did and they lost money...

For me personally, the next stage came about eight years ago when I discovered the wonders of MetaTrader and indicators. Another quantum leap was designing and marketing the first oil trading system which was so successful it launched me on a new career of designing and selling several other systems – culminating in the present Rich Lazy Trader. A minor new development was discovering and marketing a successful autotrading system now marketed under my Gold Trade Pro banner.

Now, a few short weeks ago the last exciting development in my trading career happened. People had been telling me about binary options and how my indicators were helping them make money with them. To be honest, I dismissed this based on my experience with options all those decades ago. Options return far less profit than normal trading – period.

It turns out that binary options are different! They are different because with one type you only have to predict higher or lower (by even a tenth of a pip) to get the full profit. Originally, they had a one day period – will the market close higher or lower at the end of the day. Then they introduced

hourly options, then 15 minute options. This was getting exciting! Finally, very recently and because of widespread fast broadband, we got 60 second options. Why was this so exciting to me? Because my indicators are incredibly good over very short periods – they very accurately predict the *current* movement. Of course, after a few minutes, certainly after quarter of an hour or an hour, market conditions may have changed and the price retraced. Normal trading takes place over maybe hours and we get all sorts of ups and downs before we hit our target or stop loss. It's only possible to win maybe 50% of trades and it's our higher take profit compared to our stop loss that allows us to succeed.

It's impossible to make quick trades in normal trading because of the 'spread' – the difference between the buy and sell price. For the EUR/USD this may be 3 pips and if we trade \$10 a pip, that's \$30 profit for the broker regardless of whether we win or lose. So, we start off three pips down and this means we can't make any profit until the price has moved more than three pips. OK, some brokers advertise 'zero spread' but they bend the prices and get you anyway.

But, if we win by getting just the *direction* right (even by 0.1 pips) that's a dream come true! Imagine getting a good profit from 0.1 pips with an unlimited stop loss but limited loss. As I said, a dream come true. My indicator can do that with an incredibly high success rate. So good in fact, that we need to be careful how much money we take off the broker and I strongly recommend spreading your winnings over several in order not to be flagged and maybe get problems...

This is because binary option brokers have zero spread and only make money from losing traders – the majority. So, they don't really like winners apart from the fact that there have to be some in order to make binary options look good! Later in the guide, I give advice about using multiple brokers in order to decrease your visibility.

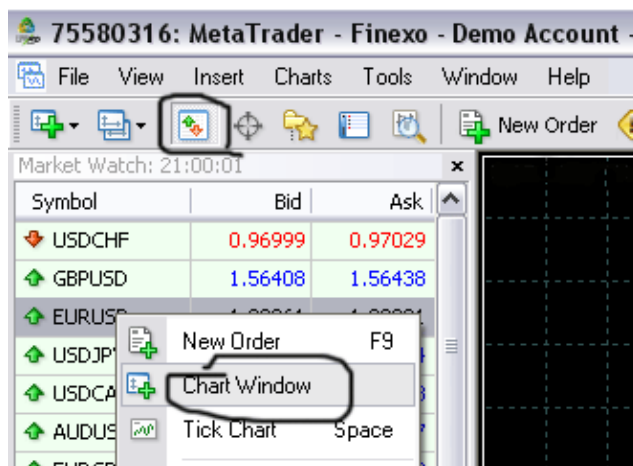
1. Installation

Let's get the tedious stuff out of the way. The heart of any trading system is the method that supplies the signals to buy or sell.

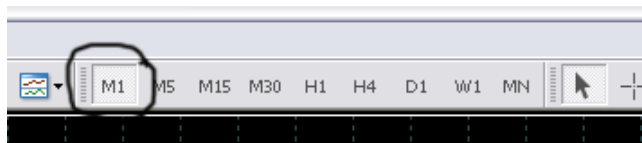
You should have the SixtySecondTrades.ex4 and 60secondtrades.tpl files – **don't double click them!** They are for installation into any MetaTrader charting program and you can get this free as an everlasting demo from here: <http://www.finexo.com/trading-platforms/download-metatrader.html> They give quite good installation instructions on the page. It's possible that they will change the location of the download page so if they do, find the 'Platforms – Download MetaTrader 4' page. Many of you will already have MT4, so you can simply put the 60 Second Trades files into that...

Finexo want you to register but there's no need for that. Install it by following the obvious. It will not be working yet because you need a username and password. To get this, click on File (top left) and 'Open an account'. Fill in any details you like and search for the demo server when prompted. You'll find the Finexo MetaTrader often needs to be opened, closed down and opened again before it connects!

Close down all the charts except the EUR/USD one, which should be there by default. If not, or if you lose it, you need to click on the Market Watch button top left as shown (often open by default after installation) RIGHT click on EUR/USD and then on 'Chart Window' as shown below..



This will open it up, maximise it and then click on the M1 button to change it to the one minute chart as shown below. Close your MetaTrader down to install the two files.

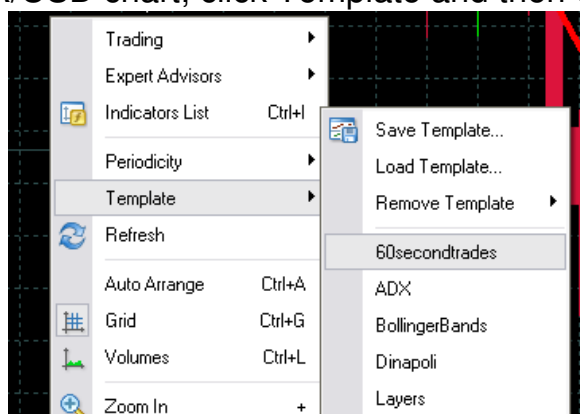


For those of you who are computer experts, the ex4 file must be copied into the C:\Program Files\MetaTrader - Finexo\experts\indicators folder and your tpl file into C:\Program Files\MetaTrader - Finexo\templates (not the experts/indicators folder). Obviously, replace MetaTrader – Finexo with your MT4 if you already have one. Instructions below for the less computer savvy.

First, find your 60secondtrades.tpl file, RIGHT click on it and 'Copy'. Go to the desktop and double click My Computer. Under Hard Disk Drives, double click the C Drive. Double click the yellow Program Files folder, double click the yellow MetaTrader – Finexo folder. Double click the yellow templates file then paste the tpl file into there either by RIGHT clicking – paste or click Edit, paste.

Go back and copy the SixtySecondTrades.ex4 file and repeat the process to get to opening up the MetaTrader – Finexo folder. Now double click the experts folder and then the indicators folder and paste your ex4 file into there.

Restart your MetaTrader (it must be restarted to load new files), RIGHT click on your EUR/USD chart, click Template and then 60secondtrades.



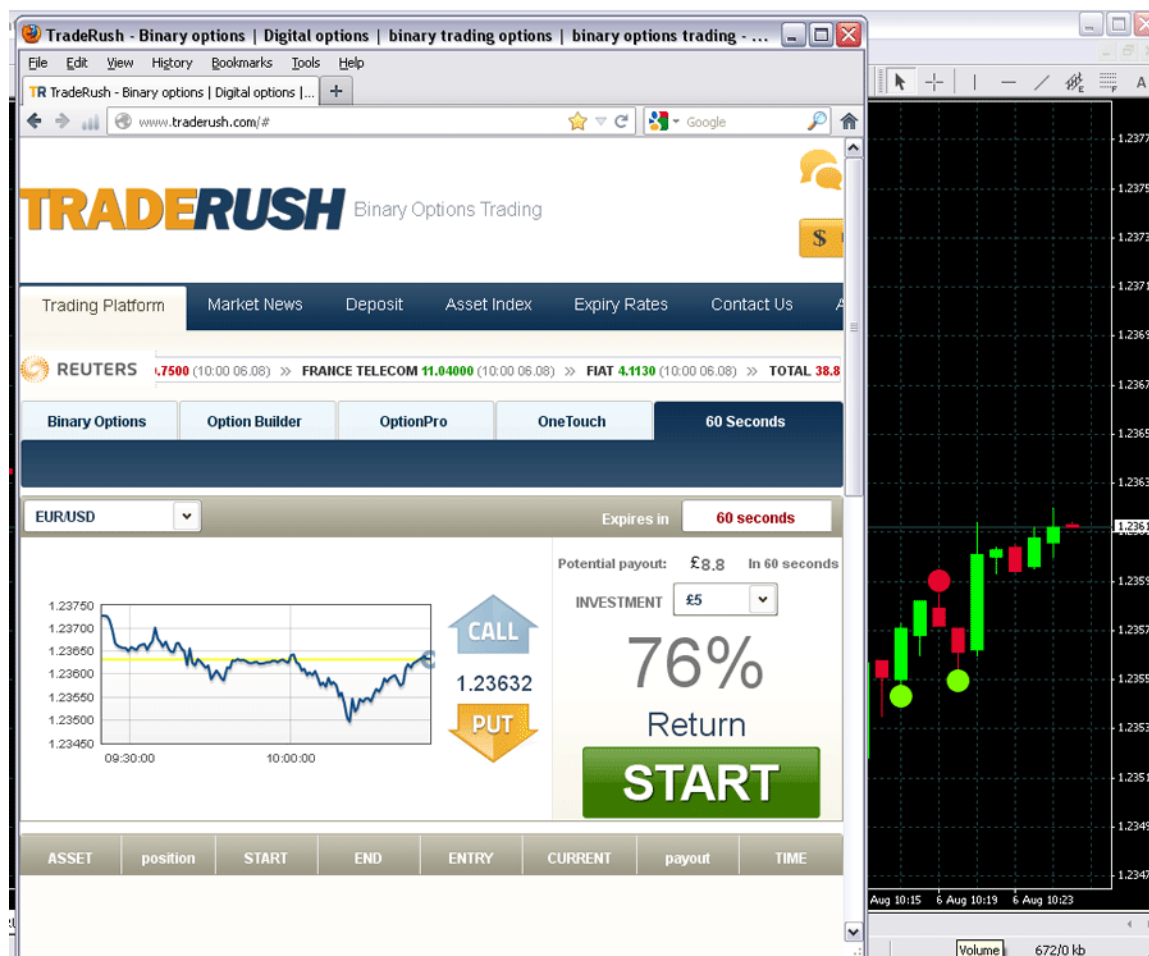
This should then give you a chart that looks like the one below (without the lose & Wins!). If there are no buy/sell signals, the ONLY explanation is that you have not put the ex4 file into the correct folder. If you have no 60secondtrades under Templates, the ONLY explanation is that you have not put the tpl file into the correct folder! So, it's no good mailing me – if you can't do it yourself, get a teenager to help. You must use the tpl file to set up the indicator correctly for 60 second trading (ADXbars set to 48).

This is a 'candle chart' and each candle represents one minute of price change. Red for moving down, green for moving up. This shows just under an hour and we had 5 signals to trade. The wicks show the high and the tails show the low during that one minute. The top and bottom of the actual candle show the open and close price. I just took this off the computer and it shows one loss!



It should be obvious that the red ball signal is to sell and the green ball signal to buy. Now, we trade as soon as the signals appear and so we have our binary option trading platform open in a window on the chart as shown on the next page because it is **essential to act fast!** As soon as a green bull signal appears, you must click Higher or Put (depending on the platform) and

Start or Buy as quick as you can. Vice versa for a red sell signal. TradeRush is very slow and the 5+ seconds it takes is frustrating but is a very user friendly platform and allows small \$5 trades. 24Option is less like a game and has a serious \$24 minimum trade size. Here's a screenshot using TradeRush. You can see from the chart I've just had three successful trades. All platforms have a graphic display (usually red and green) showing whether you are winning or losing. **Make sure you have EUR/USD selected!**

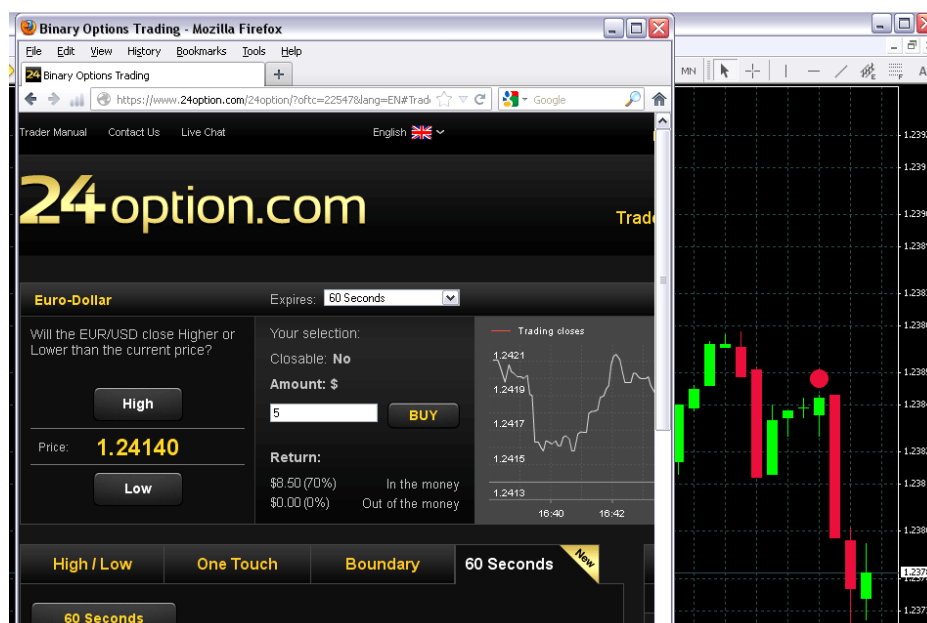


Sometimes, a signal will appear a few seconds after the next candle has started. Simply trade it immediately in the usual way. Signals are not tied to the life of the candle. There are several ways to squeeze a higher percentage return and I'll cover these in the next chapter. I have overlapped from installation into trading but this really covers the use of your MetaTrader chart to produce signals. In the next chapter, we will look at opening an account and placing the actual trades with our options broker and how to maximise profits.

2. Actual Trading

The first requirement is a Binary Options broker – or a BO broker as they are known! Be very careful here as the world of binary options is poorly regulated and there are many unscrupulous companies out to rob you of your money! Additionally, only a few have the vital 60 Second Options.

I would only recommend five brokers – the ones will all shown in my website soon. Please use my links! A sixth, Banc de Binary I would say to be careful about as there are mixed reports. One of the most popular is TradeRush, simply because they were the first to introduce 60 Second Options. However, they do have by default, a 'revenue share' for affiliates – which means affiliates only get paid on losing clients! In fact, some affiliates promote trading methods *designed* to empty client's accounts so that they pocket 25%! Very poor practice but not entirely TradeRush's fault. When I wrote to them about this, they immediately offered me a one-off introduction fee for new clients and were eager to cooperate. I was pleased about this because I have trading money with them... The minimum deposit is \$200, £200 or €200 and this is fine to start off but there is no reason not to deposit \$1,000 if you want to make big money. But for the reason I give below, don't put more than \$1,000 (or pounds or euros) into your first broker. I would recommend iOption for more serious trading. Below you can see me using 24Option but they have some problems which we are trying to sort out! This was my first use of them and I put in \$5 as you can see, not realising they



had a minimum of \$24. It was rejected so I missed that great trade on the screen! The platform resets after every trade so it's impossible to open another trade quickly.

I want to distribute our winnings among the five or six reputable brokers. I openly admit I have or will have affiliate relationships with them all and get a one time fee for introducing clients, so please use my links – it costs you nothing and makes me something! That's also the reason I sell this system for so little. I genuinely test them out with real money! Just choose the broker currently promoted on the home page at the bottom ([link is on the home page here](#)) as your first broker. Later, when you see how easy it is to make money, please open an account with one of the other brokers on the website (a five minute job) and spread your winnings across several or all brokers. Don't be silly and kill the goose that lays the golden egg by taking \$10k a month from one broker – you will probably start to get problems trading and/or withdrawing money! Keep it small with several brokers – don't go crazy. There is a link to alternative brokers on the website. I ask you again to use this so I make some money – that is what the game is about, thank you!

You should be able to open an account, deposit money and be trading in about five minutes. Yes, that fast! They will ring you to confirm you're not messing about and maybe to persuade you to deposit as much as possible. It's best to refuse any bonuses. Why? Because they always come with conditions that need to be met before you can withdraw. For example, you may need to trade 50 times the bonus value -quite easy to do, but I would rather be totally free of any commitments to the broker and in any case, we can easily make our own money.

60 Second Options are incredibly simple and all the brokers have a pleasing, user-friendly interface that is a delight for any trader used to the complexities of normal trading. I will go through the theory of how we trade with specific examples. **Make sure you have EUR/USD selected!**

It really is a hi – lo game. Will the price be higher or lower after exactly 60 seconds? Unlike normal trading, when we click the higher or lower button

(Call or Put in options) the trade opens at exactly the trading price – there is no spread. Even better, all brokers use an extra decimal place, so prices are in tenths of a pip and just one tenth is enough for a win the same as 100 pips. All option platforms are web based and require no downloading.

So, we watch our chart on MetaTrader with our options broker ready to go on the same screen. The instant we get a sell signal, we click Put (or Lower) and Buy (or Higher) and click Start (or Buy). Some platforms like TradeRush ask for confirmation as another way of slowing you down! Be very careful never to click any button twice – particularly the Start button in TradeRush - because it will either lock up for a while or you'll end up with two trades.

Beginners always want black and white rules for trading and while I can give them, trading simply is not black and white and that is why most people lose all their money! There are three basic things to know when taking signals. The first is not to trade between the end of the US session and the start of the Asian session nor between the end of the Asian session and until the European session under way. This means between don't trade between 21:00 and at least 23:00 UK time nor between 06:00 and 08:00 UK time. Our Finexo MT4 runs on GMT, so these are candle times in winter but you need to subtract an hour in European summertime. So, in the summer, avoid 20:00 to 22:00 and 07:00 to 09:00 Finexo chart time. You can trade a 20:59 signal!

Now, this is a guideline to stick to until you know what you're doing – not a fixed, unbreakable rule! Basically, don't trade when there is little volume.

The second thing is not to trade during what I call 'sideways movement'. This is a strong rule in all my trading systems and is the reason many people lose money – trying to trade when the market has no direction. It's hard to give a definition of this (the best is when we have 9 or more overlapping candles, side by side) but you will learn to recognise it with chart watching

experience! Eventually, it will break out and become tradable again and don't worry if we turn down the signal that marks this breakout if it still looks like sideways movement. You can get a row of tiny candles when there is simply no action or a row of larger candles when the market is yo-yoing up and down in a narrow range but with no real direction – learn to spot it!

Another strong rule in all trading is to know when NOT to trade. We must always avoid losing money even if it means missing what turned out to be a good trade – otherwise we are gamblers and gamblers always eventually lose everything...

The third thing is don't trade bigger than normal candles unless you know why they are so big and understand what's happening (could be a news release, for example). You can't give a definition of what an oversized candle is because it depends on trading conditions. I guess the average size of a one minute candle is around 5 pips or 0.00050 (remember, tenths of a pip are shown) on the chart but anything between two and six pips is 'normal' depending on the time of day and what's happening in the world. But, a big candle always stands out. If we've been having 2 and 4 pip candles and suddenly we get a 12 pip one, something has obviously happened. Such a big jump will trigger a signal but it is risky unless we know what's happened because unless it is more than a freak event such as some big broker buying five hundred million euros, it will retrace in the next minute.

Unless you have experience in chart movements, avoid trading at financial news release time (15 minutes before and after). It is wise to check <http://www.forexfactory.com/calendar.php> for any 'red' USD or EUR releases because these will usually make the chart jump or fall dramatically. Click on the clock and adjust it to your local time. They come at 13:30 and 15:00 UK time, usually.

So now you know which signals to take and which signals to ignore.

Because trading is not black and white, neither are the signals! They sometimes can disappear if the next candle retraces. Nothing we can do about it but if we were trading in the normal way, we would close the trade. Since an option is purchased outright and we can only lose the price of the option (a mere \$5 and upwards) we simply have to hope that things turn around before the 60 seconds expire. That's life...

The last and vitally important rule is don't trade when the chart looks 'crazy'. Don't trade extra long signal candles – the price often retraces after. If it looks different then something funny is going on with the market and trading becomes gambling. To this end, if we ever have four losses in a row STOP TRADING for the day! Four losses in a row means odd conditions and we should take the whole day off and relax. Our natural instinct (which is always tells us to do the wrong thing when it comes to trading) is to increase our trade size and battle to recover our losses and this is when insanity takes over and traders lose all their money. It is always, always better to stop trading and live to fight another day. Preservation of capital is vital.

Don't overtrade. Ideally, you should only trade 2% of you capital (\$5 per \$250) bearing in mind you will be trading twice this after a loss - far better to make several small trades than start gambling with big ones. Always look on trading as a long-term business and take it slow and steady!

Now, because our signals have a high success rate, it is profitable to double our trade size once after a loss. Don't go doubling up again because then we are entering the dangerous world of gambling and, sooner or later, a freak run of loses will wipe us out. But to do it once is definitely profitable in the long run. So, if you are trading \$10 options and have a loss, trade \$20 (or \$25 if your platform only has that) until you either have a win or you lose three times more (remember our four losses, stop trading for the day rule!). This is incredibly rare and will more likely include some problems like unusual platform delays or a mistake of some sort on your part. If it were possible to trade all the signals instantly, we would be able to make a fortune – unfortunately, life is never like that and we have imperfections in our way!

It takes a little experience to execute the trades as fast as possible and to know when not to trade. You should be able to improve on your early performance and pull in a regular profit. Now, let's look at the figures...

Payout varies between 70% and 76% under normal conditions. Using the lower figure, that means a 60% win rate still makes a profit. Six times \$7 is \$42 and we lose four times \$10, which is two dollars less than we won. So, we must get better than a 60% win rate to succeed! Profits increase rapidly above 60%. For example, even a 70% win rate loses us \$30 and wins us \$49 – so we have \$19 profit from 10 x \$10 trades. Clearly, we need to trade more than this to make decent money and \$500+ capital trading \$25 a trade starts to bring in serious money.

At our target 70% win rate (we can do better) this gives us \$47.50 from ten trades (maybe a couple of hours). Bearing in mind we can trade many hours a day we could expect \$100 a day at this level while still giving ourselves plenty of breaks and avoiding a nervous breakdown by staring at the screen for too long! At this level, you really must have several brokers. I would always recommend two anyway because often one platform is running slow or has problems of one sort or another. If you do this seriously, get four brokers – there will be links on my website to tried and trusted companies. Remember, with binary options, you are trading against the broker and if you take too much he will make life impossible for you...

Lastly, you can try trading any of the many other instruments on offer including gold and oil. When experienced, a glance at the chart will show you if the signals are good. You can even adjust the indicator by double clicking on it, click the Inputs tab and adjust the ADX bars from their default 48 – try 10 and a time, then fine tune. Given time and experimentation, several other profitable instruments may be found.

Many people used to request an indicator with an alarm but I've tried this and it's no good. Firstly, you must place the trade within one second of the signal appearing and if you're doing something else and hear the alarm, you just won't be on the ball enough to get the trade in instantly. Secondly, by default, MetaTrader alarms go off for several candles afterwards, which is OK on a 30 minute chart but not on our 1 minute charts – very annoying!

Range Trading

Although sideways movement is the killer of trading, I've come to realise we can profit from it if there is no spread! Many times, the chart will consist of almost alternative red and green candles trading over maybe as little as a one pip range. I'm not talking about those unpredictable, low volume times between session but those times when there is simply no direction.

Fairly obviously, if we can identify the range and buy a Call option at the bottom and a Put Option at the top, the chances are in a favour that we will make money. Of course, it can happen that the price goes up and then down rather than just up in our 60 seconds but still, the odds are in our favour if we have seen how the market is behaving.

Again, we can double up after a loss and overall, we should come out on top using this strategy. I originally was not going to include this in the guide but, the first day after it was released, we got a lot of sideways movement! Here's the chart I traded that day showing how I made about 6 out of 7 successful trades.



You can see that I've put two yellow lines showing the range. They are exactly 1 pip apart 1.24168 and 1.24178. Bear in mind that the spread for normal trading is 3 pips, so this is a VERY tight range (it need not be so tight). It is preceded by two good trades from our indicator and ends with two good trades from our indicator. I was simply buying at the bottom and selling at the top to make my 4 out of 5 winning trades. Of course, I lost on the breakout down at the end but doubled up to make a winning trade from the last signal. Only do this when you are experienced!

Chart Examples

It is Important to Know When Not to Trade! Here are some Examples...

Sideways Movement (kills any trading system!). Market goes nowhere...



Low Volume between Asian and European trading Sessions (or any other very quiet time).



Don't Trade Anything that Looks Odd!!!



Always play safe when trading and don't take a gamble when the chart is unusual. Here's an example of something 'crazy' in the chart. In the slowdown before the end of the US session this big gap appeared. This usually means very low volume of activity and one big buy or sell jumps the market. Don't trade when it's like this. It often slows down about half an hour before the US close and trading should be stopped.



As I previously said, extra long signal candles are risky. The point being that the length of the candle has probably used up most of the immediate movement and a retrace is likely. However, the indicator is very likely to be triggered by an unusually long candle. Gain experience to know when to refuse trades and you may want to simply trade on your own experience rather than wait for a signal when you have watched a lot of charts.

Conclusion

Were it not for the problem of poor brokers who want us to lose, this would be an incredible trading system capable of making big money at even \$100 a trade. However, we are fighting slow platforms all the way. That's another reason to have accounts with as many as possible – to find one performing well that particular day. You can also learn your own new trading methods.

Even so, I've found it easy to make a profit in the short time I've been practicing. Simply using TradeRush (not the fastest but good enough) and trading \$10 then \$25 I make a little money every day without much time or effort. Practice makes perfect is a stupid saying because many people practice something all their life and are still crap! Intelligence, self discipline and common sense must be used to squeeze the most profit out of this interesting and entertaining system. Never succumb to the desire to place one last huge bet like a gambler. Yes it may work but with that attitude you will certainly blow your account one day...

At busy times of the day, the software (except 24Option which uses a different platform) may not throw up an 'OK or Cancel' button after you press start for a very long time but the trade will have been placed! This is very disconcerting. If you don't click 'Cancel', the trade is placed after two seconds and if there is a long delay, this may already have happened! It's not so bad because it means the delay wasn't as long as you thought...

Make no more than one withdrawal a month (most brokers give you one a month without charge) and don't leave too much more in your account than you need for trading. On the other hand, don't be afraid to trade big money as \$100 a trade is nothing to a broker. Some companies allow a maximum of \$20,000 per trade.

60 Second Trading is most certainly another way to make steady money but, like all trading, many will fail because they become careless and effectively self-destruct. Always play safe and live to trade another day. The number one rule of trading is preservation of capital and that often means stopping for the day...

Whether you accept it or not, it is a certain fact that even given the holy grail of trading systems (I'm not saying this is), most people would *still* lose money at trading. This is because, *whether you accept it or not*, your subconscious mind controls you – not your conscious mind! All the discipline in the world, all the self confidence cannot overcome the directions of your subconscious.

There will always be some smartass who says they know their subconscious mind - but the definition of the subconscious is that it is SUB conscious and unknown. Those of you who wish to know more about this vitally important subject are strongly advised to read my www.Success4Traders.com or www.TheRealSecret.co both of which contain practical exercises to change your subconscious belief systems from loser to winner. Despite not being specifically for trading, The Real Secret covers this in greater detail and supersedes Success for Traders (it's cheaper too, because it's not marketed through ClickBank).

Lastly, bear in mind conditions can vary greatly hour to hour and day to day, so if you hit a bad patch just stop trading and relax for a while! Don't try and trade for long periods, take small sessions with breaks – otherwise you start to dread it because of the stress...

All the best and good trading

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