MTPredictor Trade Module for NinjaTrader 7 (v1.1)

Getting Started Guide

Introduction

The MTPredictor Trade Module for NinjaTrader 7 is a new extension to the MTPredictor Add-on's for NinjaTrader 7 designed to streamline risk-controlled trade execution and trade management in conjunction with the tools in the software. The add-on module includes numerous powerful features such as:

- Automatic position sizing and trade setup based on MTPredictor risk/reward analysis
- Immediate trade execution with the correct position sizing and automated stop loss and profit target order placement at the correct levels
- Flexible control over entry order types, including Stop, Limit, Market and an "Auto" feature that will automatically choose at the time of execution based on current price
- Streamlined access to trade management features including ATR or Bar High/Low trailing stops
- Automated trade management features, including auto-breakeven and an "auto-ATR stop" that will automatically follow the standard MTPredictor guidelines of monitoring the STF strength and automatically switching to an ATR stop at the first target if the STF has exceeded the strength band.
- Ability to synchronize and import positions initiated outside of the trade module using ChartTrader, DOM and other manual entry

The MTPredictor trade module has been carefully designed and built from the ground up by an experienced trader and MTPredictor user. We hope you enjoy this new and powerful enhancement and wish you trading success.

Note: The MTPredictor Trade Module is a separately licensed feature that available to existing MTPredictor customers at an additional one-time license fee.

Requirements

In order to utilize the trade module, you will need a real time data connection, such as eSignal, IQFeed, or a broker-supplied data feed, and a valid Simulation or Live account in which to execute trades. Real-time bid/ask data must be active to drive the data engine and execute trades, which is a requirement for NinjaTrader in general.

The status bar at the bottom of the user interface displays the status of the current real-time data feed connection, the selected account type (Simulation or Live), and the status of incoming real-time data.

Note: There are numerous scenarios where a data feed may be connected, but there is no real-time data, such as when the market is closed, or you are operating outside of the configured session. If you are experiencing issues, be sure to check the status bar to determine whether the data feed is both connected and there is real-time data presently feeding into NinjaTrader. Both are a requirement for trade execution.
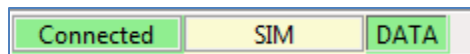

Figure 1: Trade Module Status Bar

What's New in version 1.1

Version 1.1 of the Trade Module is a significant update that introduces a number of significant and exciting new enhancements and features based on real-life usage and user feedback, as well as some additional bug fixes. Below is summary of the fixes and enhancements in the latest release:

Add: Persist all trade module settings when instrument/timeframe is changed, including entry order settings, P/L display mode, Auto Trade Management settings, and Account settings

Add: Persist open trade/position data when instrument/timeframe is changed and restore when original instrument is loaded for resumed trade management

Add: Ability to engage trade management from a different chart/timeframe than that from which the trade was placed

Add: Major enhancements to connection/connection loss handling and account connectivity for better performance, stability and enhanced functionality

Add: Ability to synchronize an existing open position and import into trade module for trade management, including trades initiated with DOM and Chart Trader, with several options for bracket order (stop/target) placement and handling

Add: Ability to adjust existing trade stop/target with based on new MTP analysis (automatic or manual) as the market unfolds

Add: Automatic Stop and Reverse when a new trade is executed in the opposite direction of an existing open position

Add: Persist UI open/closed state when chart instrument/timeframe is changed or chart is reloaded for any reason

Add: Optimize size and layout of all UI controls for cleaner UI design and optimal screen layout to minimize required screen space

Add: Enhanced accuracy for P/L reporting for Forex

Add: More responsive and immediate update of Position Status when there is an open position and the chart timeframe, instrument, or account is changed

Add: Numerous other minor enhancements and performance improvements

Change: Relocate Forex unit selection (currency/lots) for more logical user interface design

Fix: Memory leak caused by infinite loop occurring in certain cases when broker/data connectivity was unexpectedly lost for a period of time

Fix: Numerous other minor bug fixes and enhancements

Fix: Improved quantity handling between currency/lots for Forex stop/target bracket orders

Trade Module Overview

Accessing the Trade Module Panel

Once your license is activated, a new "Trade" button will appear in the main toolbar next to the standard MTPredictor toolbar buttons. To show and hide the Trade Module user interface panel, simply click the "Trade" button.
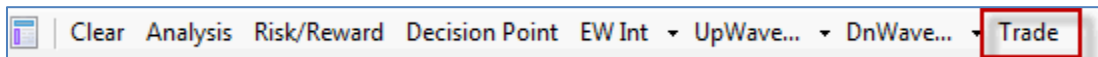

Figure 2: MTPredictor Add-On's Main Chart Toolbar

Trade Module User Interface Overview

The Trade Module user interface has been carefully designed to provide clear and easy access to all of the relevant functionality needed to assess, execute and manage a trade and is broken down in to several major sections:

- Trade Setup
- Entry Order Type
- Position Status
- Instrument
- Account
- Auto Trade Management

Trade Setup

The **Trade Setup** section is the heart of the trading user interface displays all of the relevant details for assessing and executing a trade, including the direction, entry, stop, target, risk to reward information, and position size. It also provides the action buttons for executing a trade and cancelling an open entry order.

Figure 3: Trade Setup Section

Using the Trade Module, setting up a trade for execution is as simple as performing standard MTPredictor analysis on an automatic trade setup, or using the manual Risk/Reward analysis tools in the software. When the analysis is done, the trade details are automatically populated and the trade is ready for execution using the correct position sizing dictated by the Account settings configured in the main MTP Analysis indicator.

The status indicator displays status information regarding the trade setup, such as whether the setup is ready to trade, the risk level has been exceeded, or there is no real-time data to be able to place the trade.

To execute a trade, simply click the "Execute" button and accept the order confirmation to place the trade.

If you wish to override the position size with a manual value, click the "**Override position size**" checkbox and specify the new value. **Please be advised that it is never advisable to increase your position size beyond an acceptable level and, therefore, increase your risk**. If your position size is too small for the desired risk on your account, then please be sure to review or adjust the Account Size and Risk values in the main MTP Analysis indicator accordingly. At this point in time, all position sizing is based on the

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account and risk settings in the main MTP Analysis indicator, and not the live balance of account selected for execution.

Note to Forex Traders: *When trading Forex, the position size value will be specified in currency by default, as this is what is expected by most brokers for Forex trading. When trading a Forex pair, a "Forex" section will appear at the bottom of the Trade Module panel to allow you to change the Forex unit to "Lots" in the event that your broker requires trades to be entered in lots instead of currency.*
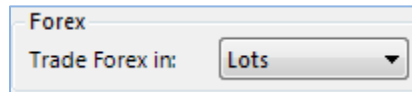

Figure 4: Forex Unit Selection

When trading Forex, please make sure that you review and adjust the appropriate Forex-related settings in the main MTP Analysis indicator, including the type of lots traded (Mini, Micro, etc.) and your tick offset to account for variable spreads to ensure that the information supplied to the Trade Module is as accurate as possible for your situation.

Stop Loss and Profit Target Orders

When an entry order has been filled, the stop loss and profit target orders will be automatically executed as an OCO (One-Cancels-Other) bracket using the stop and target settings obtained from the trade setup analysis. An OCO ensures that when one of the linked orders is executed and filled, the other is automatically cancelled.

- *There are certain scenarios, such as when the auto-ATR trailing stop is active prior to entering a trade, that a profit target will not be executed. In other cases, enabling the manual ATR or Bar trailing stop will cancel open profit target orders. These features will be discussed in detail later in this document.*

Important: Although many brokers support server-side OCO functionality, in general, NinjaTrader handles OCO logic on the client side- that is, NinjaTrader must be open, connected to the internet, and connected to your broker for OCO functionality to be active and to function properly. As a general precaution, please be sure to monitor your trades carefully and make sure that a part of your trading plan includes actions to take in the event of connection loss, NinjaTrader application issue, etc. This guidance extends beyond just the use of the MTPredictor product and to your trading in general.

<u>Order Cancellation</u>

You can cancel an open working entry order by clicking the "Cancel" button, which is enabled when there is a working entry order. In addition, an open entry order will be automatically cancelled in the following scenarios:

1. <u>You change the chart timeframe or instrument on the chart from which the order has been placed</u>. This is a safety feature to ensure that an entry is not filled without a corresponding stop loss being executed.

2. <u>The trade setup stop trigger is exceeded before a trade is filled</u>. Using the standard MTPredictor guidelines, an open entry order will be cancelled if the stop trigger is hit, thus invalidating the trade.

<u>Trade Synchronization ("Sync")</u>

Trade synchronization enables you to synchronize, or import, an existing trade position that has either been established outside of the trade module or that has been disassociated for some reason. With trade synchronization, any open position can be associated with and imported into the trade module to provide the full range of trade management capabilities.

In addition, the synchronization functionality will also permit you to update an existing trade position that is associated with the trade module, enabling the update of stop/target orders without having to close and re-establish the trade. This is useful in situations where the analysis or outlook has changed, and you want to base the operation of the automated trade management functionality on different parameters than when the trade was originally entered.

The "Sync" button will be activated any time that the MTP analysis is applied to a chart and there is already an open position for the underlying instrument. When you click the Sync button, the following dialog appears presenting several options for controlling the trade synchronization behavior:
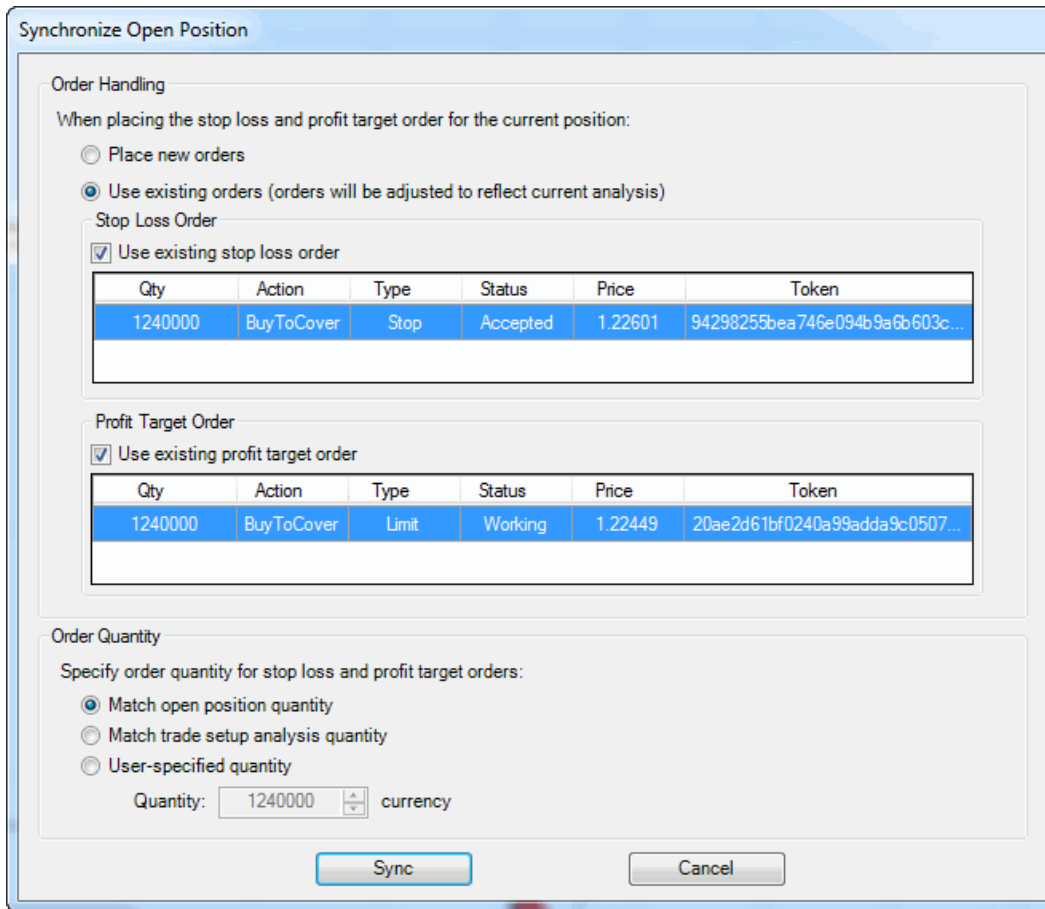
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Figure 5: Synchronize Open Position

Order Handling: When synchronizing an open position, the trade module allows the user to place new orders for the stop loss and profit target for the position, or to select an existing stop loss and profit target if they exist. When evaluating an open position, the trade module will automatically examine any open orders in the same account for the same instrument and list any orders that are a potential candidate for either the stop or the target and list them in the appropriate list for selection.

If you choose to place new orders, a new stop loss and profit target order will be placed according to the trade analysis on the chart. If you choose to use existing orders, then the selected stop and target orders will be changed with the broker based on the current analysis.

Order Quantity: When synchronizing a position, there are several options for controlling the quantity of the stop and target orders placed.

1. *Match open position quantity:* Executes stop loss and profit target orders in the same quantity as the open position. This is the recommended and most commonly used option for most scenarios. Pyramiding and some other advanced scenarios may require a different option.

2. ***Match the trade setup analysis quantity:*** Executes stop loss and profit target orders using the quantity specified by the position sizing data supplied by the trade setup analysis. This option is useful in scenarios where you wish to import a position based on the MTP analysis and position sizing and then execute manual entries/exits to reconcile the position size for the open position.

3. ***User-specified quantity:*** This allows the user to specify the quantity of the stop loss and profit target orders and is intended for advanced users only.

When you click the "Sync" button, the trade module will enter or adjust the stop loss and profit target orders, the position will be associated with the trade module and be available for management.

In summary, synchronizing an open position is useful in a number of situations:

1. *A trade was initiated outside of the trade module using the DOM, Chart trader, or other manual entry method and you wish to associate it for use with the trade module.*

2. *The NinjaTrader application has exited with an open position and you wish to re-associate the open position with the trade module when you launch the application and reconnect to your broker.*

3. *You have entered a trade and subsequently change your analysis and wish to update the trade, including stop loss and/or profit target, without having to close and re-enter the trade.*

   For example, if you wish to shoot for a larger profit target and enable automated trade management features such as the Auto-ATR stop that you wish to function based on the revised target.

4. *Any other reason that an open trade seems to have become disassociated from the trade module and you wish to re-associate it.*

Entry Order Type

The **Entry Order Type** section allows the user to specify the type of entry order placed when a trade is executed and supports both a **Manual** and **Auto** mode. As the name suggests, **Manual** enables user selection of the type of entry order used when entering a trade, whereas **Auto** will automatically determine the type of entry order to use based on the location of price with respect to the trade setup entry price.
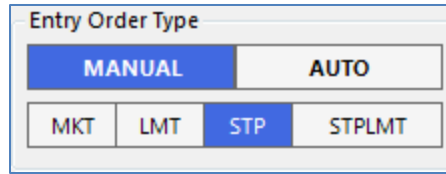
Manual Entry Order Options

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Manual Entry Order Mode supports the following four entry order types:

1. Market (MKT)
2. Limit (LMT)
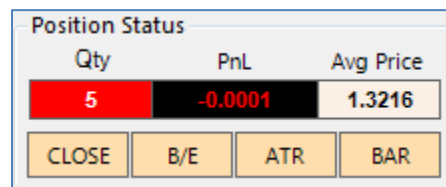3. Stop Market (STP)
4. Stop Limit (STPLMT)

In general, if price has not exceeded the entry level, traders will want to use a Stop or Stop Limit order to enter the market, whereas if price has already exceeded that level, then using a Limit order or Market order would be acceptable, depending on how far price has moved from the original entry. Please use your own discretion as to how you handle trade entry for trades that have exceeded the entry level, as risk/reward may change substantially depending on how and where you enter the market in relation to the original entry. Depending on the situation, you may wish to re-apply the risk to reward analysis to the chart and reconfigure the trade.

Auto Entry Order Mode

When Auto Entry Order Mode is enabled, a **Stop Market** (STP) order will be placed if the current price has not exceeded the entry trigger at the time of execution, and will place a **Limit** (LMT) order at the entry trigger level if price is beyond the entry trigger. Once the order has been places, you can use the standard NinjaTrader order entry tools to adjust the entry to move orders to a different price level if desired, although generally, this is not recommended.

Position Status

The **Position Status** controls are activated when a trade is executed and an open position exists and provides access to key position information such as quantity, profit and loss, and the average price of the position. In addition, it provides access to several key trade management features such as the ability to close the position, move the stop loss to breakeven, trail the position using the ATR trailing stop, and trail the position using the bar highs or lows.

Figure 7: Position Status

Position Status Data Fields

The position status area displays the following key information about an open position:

1. **Quantity**: Displays the contract, lot, or share size of the current open position and indicates whether the position is short (red background) or long (blue background).

2. **PnL**: Displays the open profit and loss for the position. Clicking on the field will cycle through displaying the open profit and loss in points, currency, and percent and is very similar to the corresponding functionality in the NinjaTrader SuperDOM or Chart Trader.
3. **Avg Price**: Displays the average price of the filled position and is the basis for determining profit and loss and breakeven price when using auto or manual breakeven.

Trade Management

When an open position exists, the following trade management options are available:

1. **Close Position (CLOSE):** Flattens the open position at the current Market Price and cancels any open stop loss and profit target orders

2. **Move Stop loss to Breakeven (B/E):** Moves the stop loss order for the current position to the breakeven level based on the position average price.

3. **ATR Trailing Stop (ATR)**: Cancels any open profit target orders, and then immediately begin to trail the position using the MTPredictor ATR Stop. Please note, the ATR stop will not be used until the ATR stop value is beyond the current stop loss level. The recommended best practice is

to enable to the ATR stop after the trade has begun to move in your favor a significant degree. Once enabled, the Trade Module will automatically trail the position using the ATR stop for the duration of the trade or until the ATR stop is turned off.

- *If you later decide to turn off the ATR trailing stop, then the stop loss remains at the current level, and if price has not reached the original profit target, you will be prompted with an option to automatically enter a profit target order. If entered, the profit target will once again be entered at the original level and linked as an OCO bracket with the stop loss order to prevent an orphaned order in the event one or the other is filled.*

    Note: *Using the ATR trailing stop does **not** require that the MTPredictor ATR Stop Indicator is present on your chart.*

4. B**ar High/Low Trailing Stop(BAR)**: Automatically trails the stop loss order one tick above or below the bar highs or lows depending on the direction of the position. Similar to the ATR stop, it will cancel any open profit target orders and will begin trailing immediately and update on the close of each new bar.

    Switching to this type of stop is useful when the market makes a strong, fast move and you wish to maximize your profits on the move.

    Note: *ATR and Bar Trailing stops are mutually exclusive and enabling one will turn off the other if it is currently enabled.*

Instrument

The **Instrument** section displays key information about the instrument being traded, such as current Bid, Ask, and the Spread. This is particularly useful for asset classes such as Forex, where spreads tend to vary, and can assist with more accurate stop placement and trade management to help avoid unnecessary stop losses due to variable spreads.

Figure 8: Instrument Status

Account

The Account section provides the ability to select the account to use for trade execution and displays basic account information, such as account balance. It also has a "Privacy" option to mask the account balance, which is enabled by default.

By default, when the Trade Module is loaded, it will select the first available Simulation account (usually Sim101) as the execution account. Users must then explicitly select a live account in which they wish to trade. Defaulting to a simulation account was done for safety reasons to prevent unintended live trade execution without explicit and deliberate user action.

Figure 9: Account selection

Auto Trade Management

The **Auto Trade Management** section provides two key automated trade management features associated with MTPredictor trade management: *Auto Breakeven* and *Auto ATR Trailing Stop*. This functionality differs from the manual trade management capabilities discussed earlier in that they add automated monitoring of key conditions, and then automatically manage the trade according to the MTPredictor Trade Management Guidelines. These features are helpful both as a convenience for experienced traders, and as an aid for helping newer traders to achieve consistency in their trade management.
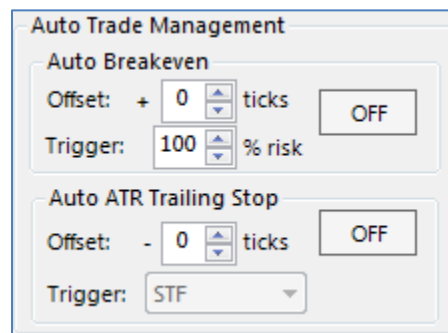

Figure 10: Auto Trade Management

- *Note: When Auto Trade Management features are enabled, the corresponding manual functions (Breakeven, ATR, Bar trail) will be unavailable to prevent potential conflict. Once auto trade management features are turned off, these options again available for use.*

To enable or disable any of the auto trade management features, simply click the button to turn them on or off at any point before or during the trade.

Auto Breakeven

Auto Breakeven will monitor current open position profit and loss and will move the stop loss to breakeven when a user-defined profit level is exceeded – by default 100% of the initial risk taken on the trade. The breakeven threshold is calculated using the real average price of the trade, and not the static analysis done at the time of execution, so there may be a slight variation between when the breakeven stop placement is triggered and the MTPredictor analysis used to set up the trade.

You may also specify an **offset,** which will add a user-specified number of ticks to the breakeven stop. For example, an offset of "1" would result in in the stop loss being moved to breakeven plus an additional tick (or minus in the case of a short trade).

- *No action will be taken if the stop loss is already at or beyond the breakeven threshold.*

Auto ATR Trailing Stop

The Auto ATR Trailing Stop will automatically monitor the strength of the STF oscillator and based on the STF strength, will determine whether to take profit or trail the position using the ATR stop once price reaches the profit target. For automatic trade setups to which automatic analysis is applied, the first profit target is used. If manual risk/reward analysis is used, the manually selected profit target is used. When the STF has not exceeded the strength band, the position will be closed at market (Market-If-Touched), and if the STF has exceeded the strength band prior to reaching the profit target, then the ATR trailing stop is used.

- *According to the MTPredictor guidelines, the STF is considered "strong" if has exceeded the strength band at any time since the inception of the trade, even if it has receded by the time that the first target is obtained. In this scenario, the ATR stop will still be used when price reaches the profit target.*

Similar to the manual ATR stop, any open profit target orders will be cancelled when the feature is enabled. If the feature is turned off prior to reaching the first target, the option to place a profit target order is presented and will place a Limit order at the original target linked in an OCO with the original stop loss.

Note: If the Auto ATR Trailing Stop is turned on before a trade is initiated, then a profit target will not be placed.

The following known limitations exist in the current version of the product:

- **When orders are executed, no visual indication appears on the chart.**

  In the current release, visual artifacts are not plotted on the chart to represent working, executed or filled orders, or position information. To visualize and manage orders, you may enable Chart Trader or use the DOM. When doing so, make sure that the account selected in either Chart Trader or the DOM matches the one in which the trade was executed or orders and execution information will not be visible.

- **Multi-currency support**

  In the current release, multi-currency support is limited. In addition, no currency conversion capabilities exist in the product at this point in time. We are evaluating a strategy to implement full multi-currency support product-wide.

- **Pyramiding**

  Currently, the Trade Module is designed to execute and provide management capability of a single open trade initiated from a chart. However, support for pyramiding and management of multiple open trades as part of a single position ("pyramiding") is a feature that is being considered as a future enhancement.

- **Multiple Profit Targets**

  Currently, the trade module bases profit targets on the MTP Analysis Profit Target, which supports a single target. There is currently no way to have multiple profit targets or "scale out" using the trade module. This functionality is under consideration as a future enhancement.

Getting Help

For assistance or to report an issue with the MTPredictor Trade Module, please contact MTPredictor Support by e-mail at support@mtpredictor.com or on Skype at **mtpsupport**. We always work diligently to resolve any bugs or other defects and strive to deliver bug fix releases as promptly as possible, so please be sure to monitor any notifications that are sent regarding bug fixes and updated builds.

For general feedback and feature and enhancement suggestions, please send an e-mail to admin@mtpredictor.com.

While there is no guarantee all suggestions or requests for enhancement will make it into the product, we value your ideas and feedback and aim to provide the best possible product to aid in your trading success.

Warning

There is always an inherent risk when using any technology. The MTPredictor Trade Module is designed as an aid to help the Trader place their traders more quickly, then help manage their trade until closed. However this is NOT a "fire and forget" system. We strongly suggest that you are either in front of your screen or if you have to move away from your screen it is only for a very short time.

NinjaTrader holds all its orders on the PC, so if you have any PC problems, and you are not in front of your screen, then you will be left exposed.

Trade management is ultimately your own responsibility, and as such you need to available to act quickly if any technology fails.