

Forex Cantata III User Manual

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All information provided is for educational purposes only and is not intended to provide financial advice. Any statements about profits or income, either expressed or implied, do not represent a guarantee. Your actual trading may result in losses as no trading system is guaranteed. By using the Forex Cantata III EA, you agree that you accept full responsibilities for your actions, trades and profit or loss, and agree to hold the developers and authorized distributors of the Forex Cantata III EA and this information harmless in any and all ways.

Please familiarize yourself with the method by which lot sizes are calculated. It is vitally important that you do not exceed the recommended lot size in relationship to your balance. There is no system of Forex trading that is guaranteed to be 100% safe, but following these lot size rules will help increase your chances of success over the long term.

What is Forex Cantata III ?

Welcome to Forex Cantata III, an automated foreign exchange trading system, or Expert Advisor, that runs on the Metatrader 4 platform. It can trade on any currency pair. The Forex Cantata III has been entirely re-written from the ground up, in order to improve on previous versions. Before you can use Forex Cantata III, you must download Metatrader 4 from a broker, and open an account. A demo account is recommended for those learning foreign exchange or getting started with Forex Cantata III.

Getting Started

Metatrader 4 can be downloaded from any broker that uses the platform to manage its customers' foreign exchange trading. We recommend a broker that allows you to trade micro lots, ie, 0.01 lots. This is very critical. We also recommend that you use a broker that is not a dealing desk, so that they are not trading against you. You may wish to consider Interbank FX, out of Utah. They offer a mini account that allows you to trade 0.01 lots that are 1/10 the size of the standard micro lots that are offered by other brokers. This will give you more granularity in your lot sizes for the purposes of compounding. Other possibilities would be Forex.com, GoMarkets, FXDD, or other similar brokers. These are mentioned because of their reputation as established, regulated brokers, and not as to whether or not they function as a dealing desk. With these last mentioned brokers, you would not want a mini account, but would want a standard account that trades micro lots. As long as you can trade micro lots, feel free to use any broker that you feel comfortable with, and where you feel your money is safe.

What We Need From You

If you have not already specified a live account number, we need one live account number that you would like to have the Forex Cantata III activated for. We also need up to 2 demo account numbers that you wish to use. Please send an email to the support address where you purchased the Forex Cantata III, requesting that the EA be allowed to trade on those accounts.

Installing Forex Cantata III

1. The new installer file will handle the new data folder structure for MT4 Build 600 and above. However, if you wish to install the EA manually, here is how you would do it: From within your Metatrader 4 Platform (build 600 or later), click on File ---> Open Data Folder. This will open the data folder under which your EA and DLL files must be placed. Once that folder is open, look for the folder named MQL4, and click on it. You will notice a folder called "Experts". Click on that folder, and install the Forex Cantata III EA (Forex Cantata III.ex4) in that Experts folder. Then back up out of that folder, back to the MQL4 folder, and look for the "Libraries" folder. Note that this folder is no longer under the Experts folder. Install the Forex-Goldmine.dll file in that Libraries folder. If you have already been running Forex Cantata II, then the required dll file will already be there. The dll file has not changed.

2. Note that going to the place where your terminal is installed, such as C:\Program Files\Platform Name, or C:\Program Files (x86)\Metatrader 4 at Forex.com\ or whatever broker you use IS NO LONGER THE CORRECT PLACE TO INSTALL YOUR EA. Even though you see an MQL4 folder

there, with an Experts folder under it, and with Expert Advisors in that folder, they are just sitting there, and are not the Expert Advisors that are being traded. You must install any EA you plan to use by clicking on File ---->Open Data Folder from within your Metatrader 4 folder to get to the actual place on your computer where the Expert Advisors, Indicators, and dll files must be installed. This is actually a hidden folder on your system, and you are not likely to find it any other way.

3. Close and restart your Metatrader platform. From the Market Watch (Control-M), select a currency pair to open the first chart. It will display with a 1 hour (H1) time frame. It is recommended that you use the AUDCAD currency pair for Forex Cantata III.
4. Display the Navigator (Control-N or View Navigator. Drag the Forex Cantata III from the Expert Advisors branch of the Navigator tree onto the open chart.
5. In the open Forex Cantata III dialogue box, under the Common tab, place a check beside "Allow Live Trading". This will allow the Forex Cantata III Expert Advisor to work on the chart.
6. To turn on Expert Advisors, ensure that the Expert Advisors button on the Metatrader toolbar is green. If it is red, click on it so that it turns green. In the upper right corner of the chart, the word "Forex Cantata III" should appear, followed by a happy face ☺.
7. If an x appears in place of the happy face, double check that the Expert Advisors button on the Metatrader toolbar shows a green hat and arrow. Click on it if it does not.
8. If a frowny face / appears in place of the happy face, open the dialogue box (by pressing F7), click on the Common tab, and make sure that there is a check next to Allow Live Trading. Press OK to close the dialogue box.

Using Forex Cantata III

Forex Cantata III user settings are made in the dialogue box. To open the dialogue box, select the chart on which you want to adjust Forex Cantata III settings, and press F7. Once you have made changes to the settings, save the new settings by pressing OK.

User Settings

DisplayInfoPanel (default = true)	If true, this displays information about the current status of the EA and its trades on the trading chart. If false, the display is not shown.
DisplaySize (default = 12)	This sets the font size for the on-screen display. You will notice that the information displayed on the chart is much easier to read now. The smaller this number, the more will fit on your screen, so don't go any larger than you need to.
LineSpacing (default = 17)	This sets the spacing between lines for the on-screen display. If you are having problems fitting everything on your screen, try reducing this to 15 or 16.

FontColor (default = White)	If you are using a black background for your charts, then white will work fine. If you have changed the background of your charts to white, however, then you will need to change this to either black or some other color.
DisplaySide (default = 2)	If 2, then the information will be shown on the left side of the chart. If 3, then the information will show on the right side of the chart.
ResetVariablesToStartOver (default = false)	This would only rarely be used. It resets the count on items that the EA keeps track of over the long term, such as statistics, but also resets trade information that is saved between times you shut down the terminal and restart it.
MaxTradeLevels (default = 14)	This is the maximum number of trade levels you will allow to open in any sequence. It must be at least 1, and cannot be larger than 15. If a number larger than 15 is set, it will still be limited to only 15 trades per sequence.
DoTrades (default = true)	The default value of true will allow Forex Cantata III to open trades. If this is set to false, Forex Cantata III will not open any new trade sequences, but it will continue to manage any open trade sequences, including adding trade levels if needed.
TradeDirection (default = 3)	If 3, the EA will trade in 1 direction at a time. If the currency price is below the Center Price, then it will buy, and if it is above the Center Price, it will sell. If this is set to 0, then the EA will trade in both directions at the same time. If set to 1, the EA will trade long only, and if set to -1, the EA will trade short only. It is recommended to use TradeDirection 3 for lower drawdown.
TradeRange (default = 12)	This sets the grid size for the 1 st grid level in a trade sequence, and also sets the level where the next trade in the series will be opened, if necessary. Subsequent grid sizes beyond trade level 1 gradually increase in size by the factor in the TradeRangeMultiplier setting.
StopLossInPips (default = 0)	Optional, but not recommended. The system is designed to work with this left at 0.
CloseTradesBeyondMaxLevel (default = false)	If this is set to true, then, if the trading has reached the MaxTradeLevels, and if the price movement reaches the point where a higher level would normally be opened, the EA will close all trades in that sequence and start over at level 1.
MaxAllowedDrawDownPct (default = 100.0)	The maximum drawdown that can occur between the account balance and account equity before the EA will close all of its trades and accept a loss. The EA will have more flexibility to make full use of its trading strategy if this is left at 100.
StopTradingOnMaxDrawdown (default = false)	If true, and if the equity to balance drawdown reaches the maximum set in the MaxAllowedDrawDownPct setting, then all trades are closed and trading is halted, until the settings box is manually opened and OK is clicked.
TradeLots (default = 0.0)	If used, this hard codes the number of lots to trade, and overrides any calculations that the BalanceFactor would otherwise do to calculate the number of lots to trade.

BalanceFactor (default = 5000.0)	Not used if you specify an amount in TradeLots. Calculates the TradeLots for you, as 0.01 lots per BalanceFactor worth of account balance. Should always be 4000 or higher. Higher is better.
UseEquityNotBalance (default = false)	If true, then the account equity is used by the BalanceFactor setting to calculate the lot size for level 1 trades. If false, then the account balance is used.
MagicLong (default = 5201)	The number series assigned to the start of any sequence of long trades. The 1st long trade will use MagicLong, the 2 nd trade will use MagicLong+1 (5202), the 3 rd will use MagicLong+2 (5203), etc. If Forex Cantata III is attached to more than one currency pair, this setting must be changed so that each instance of Forex Cantata III will control its own trades without a conflict with any other EA. Use this feature when trading any currency pair.
MagicShort (default = 5101)	The number series assigned to the start of any sequence of short trades. The 1st short trade will use MagicShort, the 2 nd trade will use MagicShort+1 (5302), the 3 rd will use MagicShort+2 (5303), etc. If Forex Cantata III is attached to more than one currency pair, this setting must be changed so that each instance of Forex Cantata III will control its own trades without a conflict with any other EA. Use this feature when trading any currency pair.
FixedCenterPrice (default = 1.00)	This sets the center point where trading switches between long trades and short trades. When the price of the currency pair is above the number in this setting, and the TradeDirection is set to 3, the EA will go short. When it is below this number, the EA will go long.
LookBackDays (default=1000)	If FixedCenterPrice is 0.0, then the LookbackDays setting is used to look back X days, and find the center price from that day to the present. If FixedCenterPrice has a value in it, then that overrides this calculation.
MiddleNoTradeZone (default = 100)	If set to a number greater than 0, then this defines the pip size of a zone centered on the Center Price, in which no trades are taken. Above this zone, sell trades are taken, and below this zone, buy trades are taken. For example, if this is set to 100, then the center zone extends from 50 pips above the center price to 50 pips below the center price, and no trades are taken in that zone. With the default of 0, then there is no zone where no trades are taken, and sell trades are taken above the center and buy trades are taken below the center as before.

Money Management and Safety

Forex Cantata III is designed to be as safe as possible, although no forex trading system can be 100% safe. Consequently, it is highly recommended that users consider withdrawing ½ of any profits generated at the end of each month from their accounts, and set this money aside. This should be done until an amount equivalent to the original investment has been withdrawn. At this point, only profits are being traded, and the original principal can no longer be lost.

How Forex Cantata III Works

The objective in designing Forex Cantata III was to achieve a reasonable risk level in forex trading while generating significant profits comparable to other forms of investment. The Forex Cantata III uses a dynamic grid method of trading, coupled with a gradually expanding lot size for each trade level in the grid. Normally, increasing your lot size for each trade would be considered quite dangerous. However, we use a specific technology that throttles down the growth of your lot sizes, which helps protect your account balance. And now, instead of simply copying the code from previous versions, Forex Cantata III has been completely redesigned and re-written from scratch, in order to use the latest programming technology.

Important Note

Even though the Forex Cantata III EA trades in as safe a manner as is possible with this type of system, the Forex market should still be respected as being potentially dangerous if it is traded too aggressively. The developer and distributors of this EA cannot give you trading advice, but we can tell you that we would not use aggressive settings if we were not thoroughly experienced with this EA, and did not understand the principles behind it. There is a place for the more aggressive settings, but not when you first use the EA.

When using a different currency pair, please remember to either change the FixedCenterPrice setting to an appropriate center for that currency pair, or else, set FixedCenterPrice to 0.0 and allow the LookBackDays setting to calculate the center to use.

For Moderate Risk Settings: Minimum balance in a standard account with 100K lot sizes would be \$4000 to \$5000, with \$5000 preferred (less aggressive) when trading only the AUDCAD pair. TradeLots=0.01. If you are trading in an IBFX mini account with a base lot size of 10K, then your minimum balances would be \$400-\$500 with \$500 preferred to trade the AUDCAD pair only. In either case, you should make certain that you are able to trade 0.01 lots as your minimum lot size.

On Chart Display

Forex Cantata III displays information on the currency pair chart in order to keep you informed of its status and trading.

The on-chart information is summarized in the following table:

Forex Cantata III x.xx.xx	EA name and release number
Current Server Time	The current time according to your broker's server
Spread	Shows the current spread for the currency pair.
Account Leverage	Shows the leverage for your account.
Balance Factor	Displays what you have in your BalanceFactor setting.
Current Equity Drawdown Percent	Shows the current percentage of drawdown on your account equity.
Current Margin Utilization	Shows the current margin being used as a percentage of equity.
Center Price	Shows the current center price that is being used for the currency pair, either entered under FixedCenterPrice, or calculated using LookBackDays.
Lots to Trade	The number of lots that will be traded on the first (level 1) trade.
Magic Number (Long) and Short	Shows the Magic Number that will be used to start the long and short trade sequences, respectively. This number will be used on level 1 trades, and 1 will be added to each magic number for each additional level. Every trade will have its own unique magic number.
Calculated (Long or Short Close Price OR (Long or Short) Close Price.	If UseProfitTargetCalcs is false, then this number is based on the actual TakeProfit Price, based on Pips or Levels. If UseProfitTargetCalcs is true, then this number is calculated to be the price where the profit target will actually be hit, so that the trades can close.
Next Buy Price/Current Buy Trade Level	If the ea is going long, then this line will show the price at which the next buy trade is scheduled to open and will also show the current buy trade level.
Next Sell Price/Current Sell Trade Level	If the ea is going short, then this line will show the price at which the next sell trade is scheduled to open and will also show the current sell trade level.
Account Authorized	True or False – Shows whether EA is authorized for this account. True, if your account authorized for trading. Live accounts must have a license purchased in order to be authorized.
DoTrades	Displays the current setting of the DoTrades setting. If true, the robot will trade when the price is hit and the expert button is green, allowing the order to be sent.