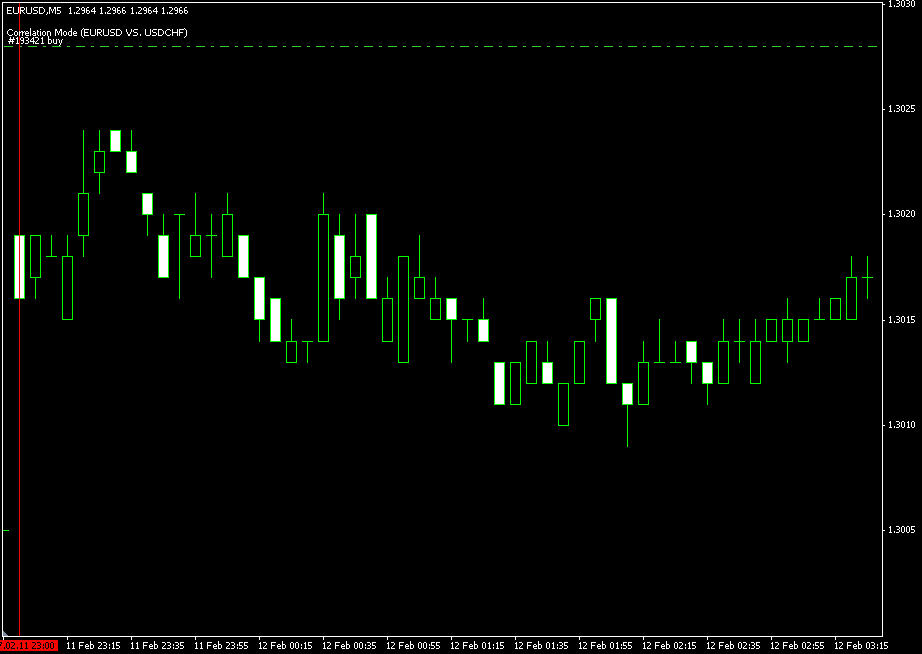
\_Correlation\_ Charts

Correlation (Hedge) trading is more popular than ever. The Pip 4 Pip indicator’s aim is to assist traders in making logical decisions on when and where to enter a hedge trade by visual seeing the pip for pip correlation of any two pairs, or multiple pairs. Once able to see the correlation swings on higher time-frames then drilling down to lower TF, the trader can make better decisions on when to enter the trade.

Modes

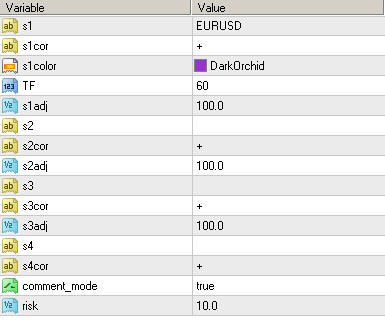
1. Correlation Mode:
   1. Use this mode to see Pip for Pip correlation between any two pairs or multiple pairs.
   2. Use bar-charts or line graphs with multiple currency pairs.
   3. Correlation (Hedge) trading is more popular than ever. The Pip 4 Pip indicator’s aim is to assist traders in making logical decisions on when and where to enter a hedge trade by visual seeing the pip for pip correlation of any two pairs, or multiple pairs. Once able to see the correlation swings on higher time-frames then drilling down to lower TF, the trader can make better decisions on when to enter the trade.
2. Bar Formation Mode:
   1. Use the Bar formation mode to visually see a lower time frame transposed onto a higher time frame to visually observe the interworking of the bar.

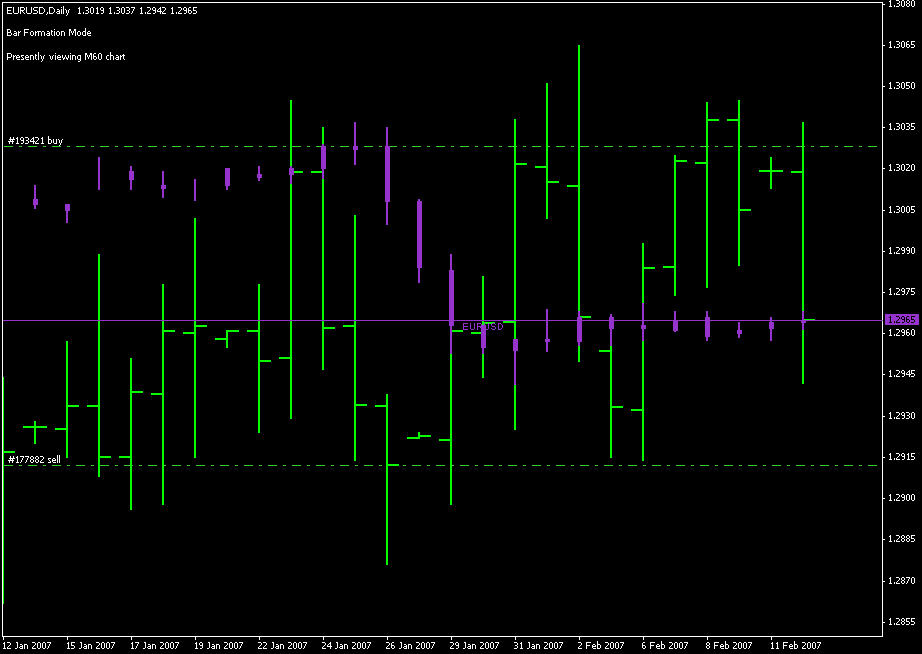
Setup

1. Copy the ex4 file to the yourbroker/experts/indicators folder.
2. Before placing the indicator on the chart it is important to know a little how it works. The indicator automatically starts and sets the basis at the first fully visible bar. So for example, if I wanted to see the correlation from the weekend gap onward:
   1. First, I would locate the bar.
   2. Scroll the screen so that the first bar is the first fully visible bar on the chart.
   3. Finally the indicator will continue to calculate bars from this point. 

Settings

1. **Bar Formation Mode**
   1. S1= same symbol as
   2. S1cor= “+”
   3. TF= the desired comparison time frame.

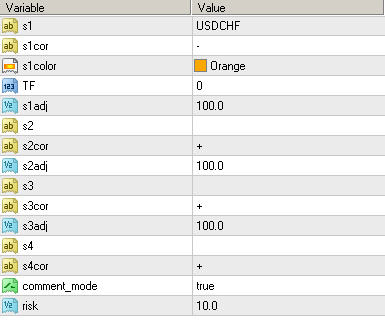




(One-hour bars transposed onto the Daily chart)

1. **Correlation Mode**
   1. S1 = The desired symbol for correlation
   2. S1cor = “+” or “-“. If you are not sure if the correlation is positive or negative, you can check the matrix at <http://www.mataf.net/en/analysis-correlation.htm>
   3. TF = 0
   4. S1adj = The indicator works on one axis, on a pip for pip basis. The percentage adjustment adjusts the S1 pair moves by a percentage. For example if the GBPUSD is overlaid on the EURUSD and the moves are nearly 2 for 1 pips, the GBPUSD S1adj could be adjusted to 50% to make the charts line up better.





Histogram

SAME SETTINGS AS CHART.