

MDF System

(Multidimensional Fractal System)

First of all I want excuse me with all the people that are reading this manual for my bad english; However I will try to explain my strategy in clearly.

I want to be clear...I use this system in real, based on daily TF and 1 hour TF. In this manual I will describe the Daily method. It's not the holy grail but it is a logical system with high chances.

Before The Strategy^(knowledge necessary)

For this strategy we must have the knowledge of

- Fractal
- Support and Resistance
- TrendLines.

The Support and Resistance and Trend Lines are useful for filter some trade and avoid to enter in a trade in a strong Support/Resistance.

In this manual I will not teach these 2 concept because they are also explained very well in the market. I will explain what i consider important regarding fractal.

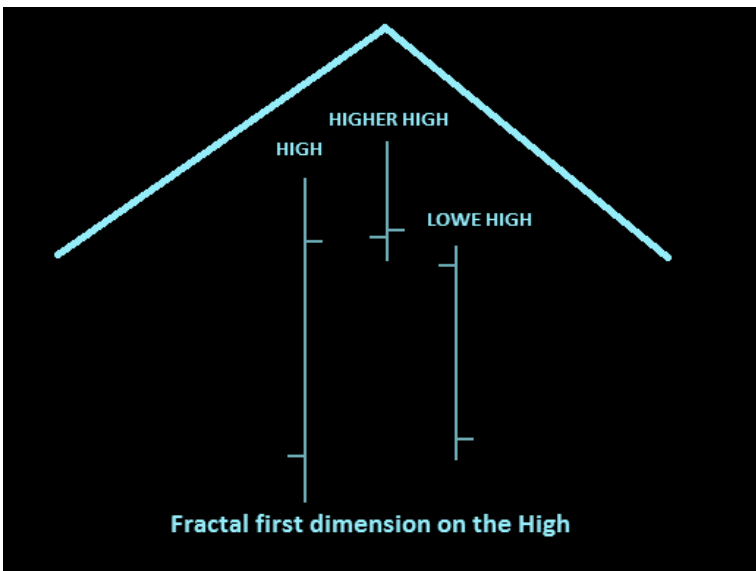
The Fractal

The Fractal is a recurring pattern that can predict the reversal of the price.

These basic fractals are composed of five or more bars but i use for my system 3 bars for the first dimensional fractal.

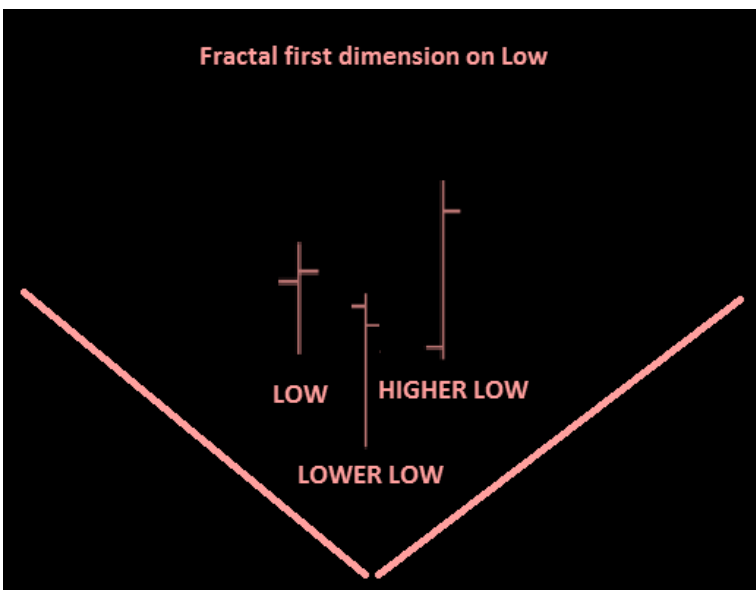
Below you can find two image that explain the fractal :

1° DIMENSIONAL FRACTAL



A First Dimensional Fractal on High with Period of 3 is formed when the pattern in the figure will be formed.

We must wait the close of le last bars to have the certainty that the pattern is formed.



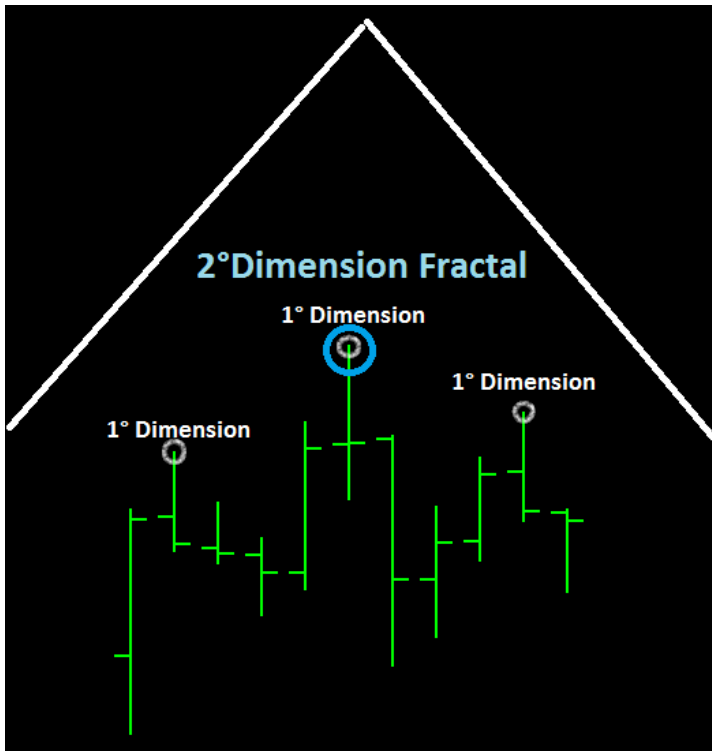
A First Dimensional Fractal on Low with Period of 3 is formed when the pattern in the figure will be formed.

We must wait the close of le last bars to have the certainty that the pattern is formed.

2° DIMENSIONAL FRACTAL

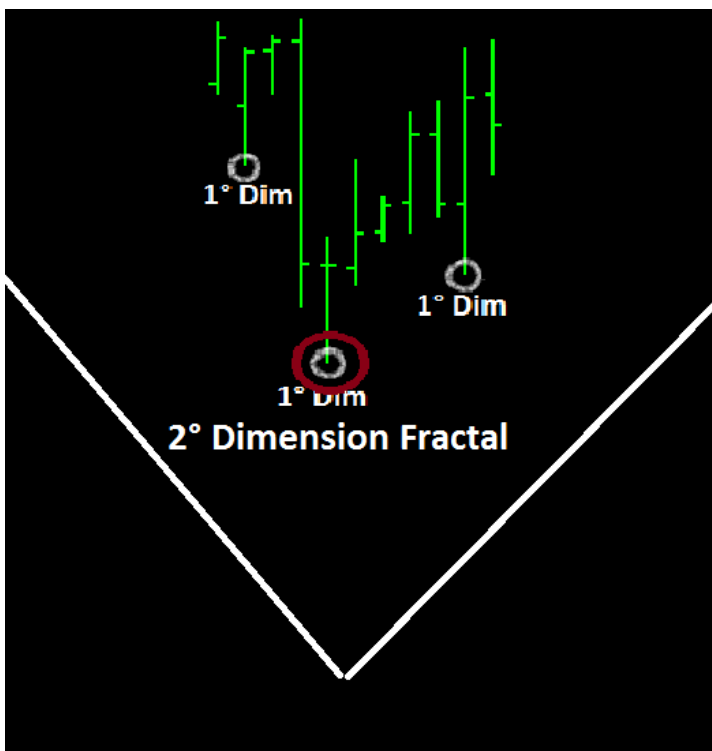
The 2° Dimensional Fractal is no more than the same pattern of the 1° Dimensional Fractal but we have to replace the High/Low with 1° Dimensional Fractal.

Below you can find two image that describe this Pattern:



A Second Dimensional Fractal on High with Period of 3 is formed when the pattern in the figure will be formed.

We must wait the close of the last bars to have the certainty that the pattern is formed.



A Second Dimensional Fractal on Low with Period of 3 is formed when the pattern in the figure will be formed.

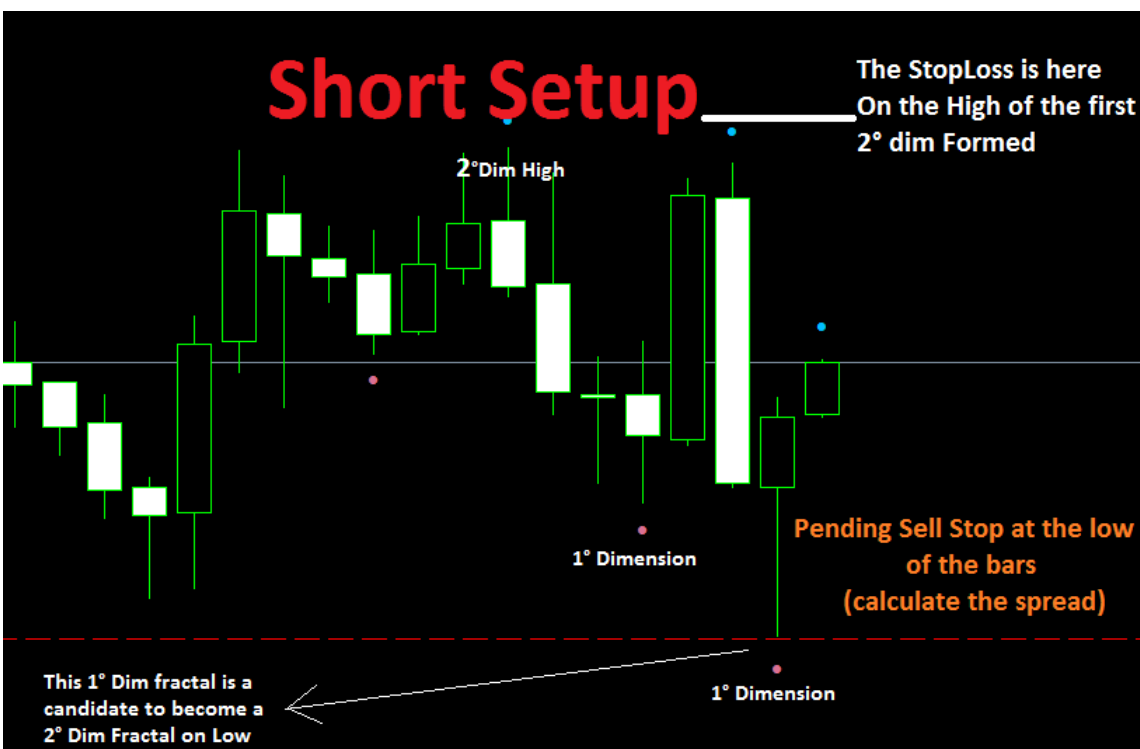
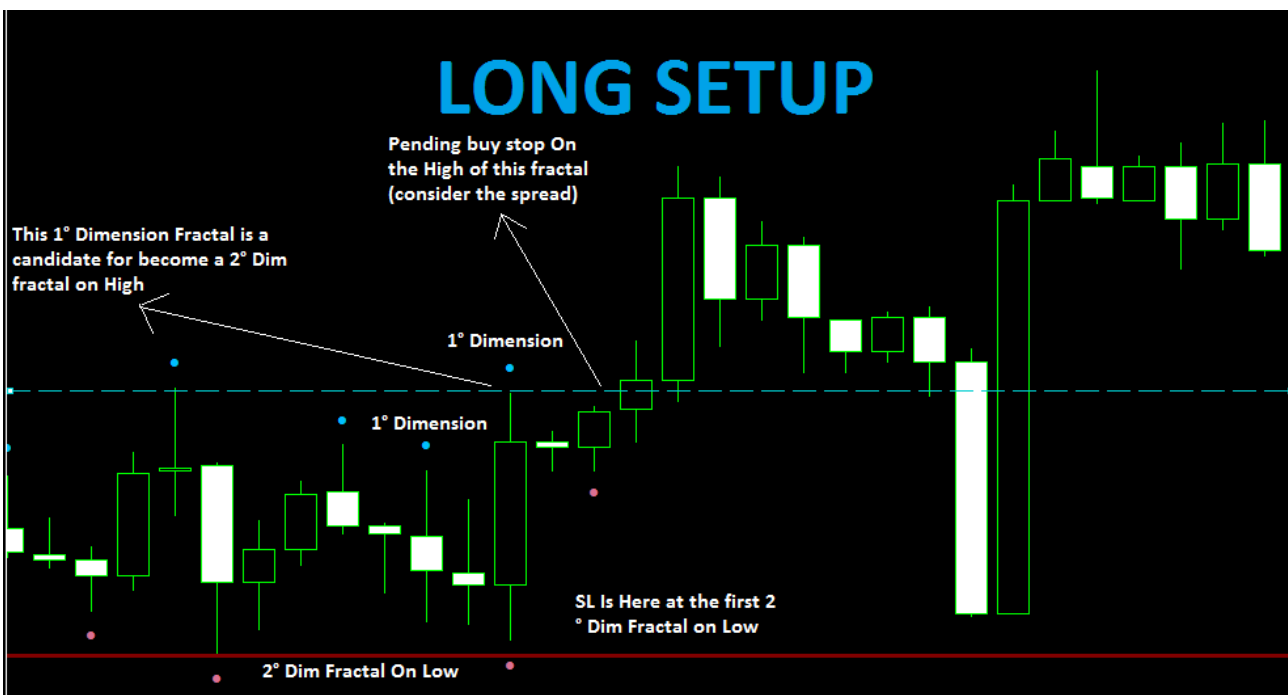
We must wait the close of the last bars to have the certainty that the pattern is formed.

The Setup

Every time when the daily bars is in closing we must search in the currencies a specific setup.

We must find the first 2 bars of the 2° Dimension Fractal Pattern High or Low (not yet formed) and draw every support and resistance and trendline useful for the current trend.

In the follow image you can find some example:



If I have a pending order in the fractal that I consider a potentially 2° dim fractal become it an effective 2° Dim Fractal i delete the order.

This System don't provide a Take Profit level but it's use a trailing method.

Everyone can use their own system of trailing stop. I personally use trail the position or with the smash daily pattern from Williams or following the fractal with the trend. It 's always recommended to take a margin also if we are trading in high TF.

The Money Management

The money management is essential for every trading system.

I use only on method. I don't risk more than 10-12% of my capital at the same time. So the sum of the risk of all trades must not be higher of the limit a decide.

Basically I risk 3% of my capital for every Trade Setup always considering the limit that I suppose to not cross.

However everyone has its own method of money management but personally I'm happy with this method.