

# FX

TRADER MAGAZINE

BEST FX  
BROKERS

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HIGH FREQUENCY  
TRADING

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EXOTIC  
OPTIONS

MT5  
RELEASE

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MARNEY  
INDICATOR

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eurozone  
future

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A DRIVING MARKET FORCE  
BIG TROUBLES STRONG RESPONSE

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## EUROZONE FUTURE:

The article analyses why the Eurozone represents a driving market force and describes the impact of the recent Euro troubles on the Swiss Franc and the Hungarian Forint.

18

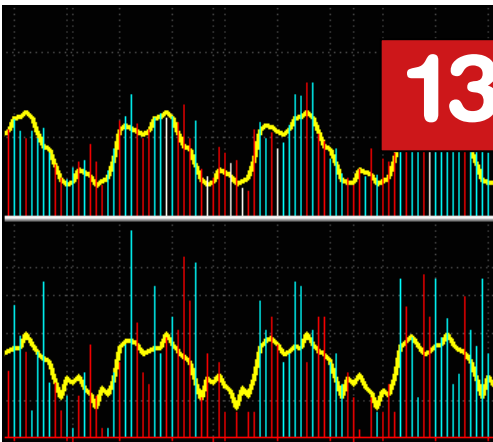
## CONTENTS

FX

### METATRADER 5 RELEASE:

Exclusive interview with Alexander Saidullin, who explains the main differences between MT4 and MT5 and the new functionalities for forex traders.

34



13

### MARNEY INDICATORS:

The codes of Marney Volume Indicator and Marney Range Indicator revealed and explained by Caspar Marney. Results of years of research, Caspar's articles can be found in the previous editions of FX Trader Magazine.



### 05 EDITOR'S NOTE

#### FUNDAMENTAL ANALYSIS:

26 **Frau Doktor M.:** Will Angela Merkel's dislike for financial markets and the possibility that Germany might consider abandoning the Eurozone periphery affect the first positive Euro recovery signs?

#### ALGORITHMIC TRADING:

31 **High Frequency Trading and Market Stability:** the author explains why the use of algorithmic trading systems is inevitable and unavoidable.

#### TRADING STRATEGY:

40 **How to cope with violent market swings and preserve your capital:** describes the most common trading

errors during volatile times and gives practical trading advice to pursue capital preservation.

#### TECHNICAL ANALYSIS:

07 **Understanding the true concepts of overbought and oversold:** gives a practical method for identifying overbought and oversold periods, using examples with the Slow Stochastic, RSI, MACD and Kases indicators.

#### BROKERS:

10 **Traders' Choice Awards:** Key attributes of the 2010 best FX brokers.

#### FX MANAGERS:

47 **Interview with Marc H. Malek,** who talks about Conquest Capital

Group's short-term systematic trading approach.

#### OPTIONS:

44 **Exotic Options:** Part 6.

#### TECHNICAL ANALYSIS:

56 **Majors' Report:** USD/JPY, EUR/USD, EUR/JPY. EUR/GBP

52 **Currency Outlook:** EUR/GBP, EUR/HUF, EUR/USD

#### INTERNATIONAL DATA:

60 FX Spot Monitor

61 Central Bank Rates

62 Economica Data - FX Poll

63 Markets View

64 ECONOMIC CALENDAR



EURO:

Big troubles,  
strong response.



*Prediction is very difficult,  
especially about the future.*  
Niels Bohr - 1885-1962  
Danish mathematician.



The new  
Deutsche Mark.  
The Eur/Huf  
swings.

## EUROZONE FUTURE A DRIVING MARKET FORCE



## Euro: big troubles, strong response

Our previous analysis three months ago ('Weak Dollar, Euro in trouble') was basically a special report on Eurozone problems. At the time they were just starting to spin out of control. From March to June European periphery's (Club Med, PIGS etc...) troubles, government debt

crises, EU bailout package, Greece debt restructuring, ECB intervention in the bond secondary market, austerity package.... have all been 'everyday word' in the economic news-flow.

Situation deteriorated even more rapidly than our (quite negative at the time) forecast, with most of Greece yield curve easily reaching double digit levels, but the

aggressiveness and quickness of policy response was as well quite unforeseen: the 'shock and awe' 1 trillion Usd package announced on May 8/9th week-end (after the amazing 'flash crash' on the previous Thursday) and the ECB crossing the border of outright purchase of weakest Euro countries (Greece, Portugal, Ireland) government bonds.

