

Description of the ZennerGUN Functionality

Overview

The ZennerGUN automated trading system consists of 6 major parts, represented by corresponding Horizontal Line controls.

1. Entry Level Line
2. Stop Loss Level Line
3. Take Profit Level Line
4. Trailing Trigger Level Line
5. Trailing Stop Level Line
 - Converts into Profit Protective Stop
 - Trailing Stop Range
 - Distance between Trailing Trigger and Trailing Stop becomes trailing range behind current Quote
 - Break Even Level Line (appears only if prior losses do exist)

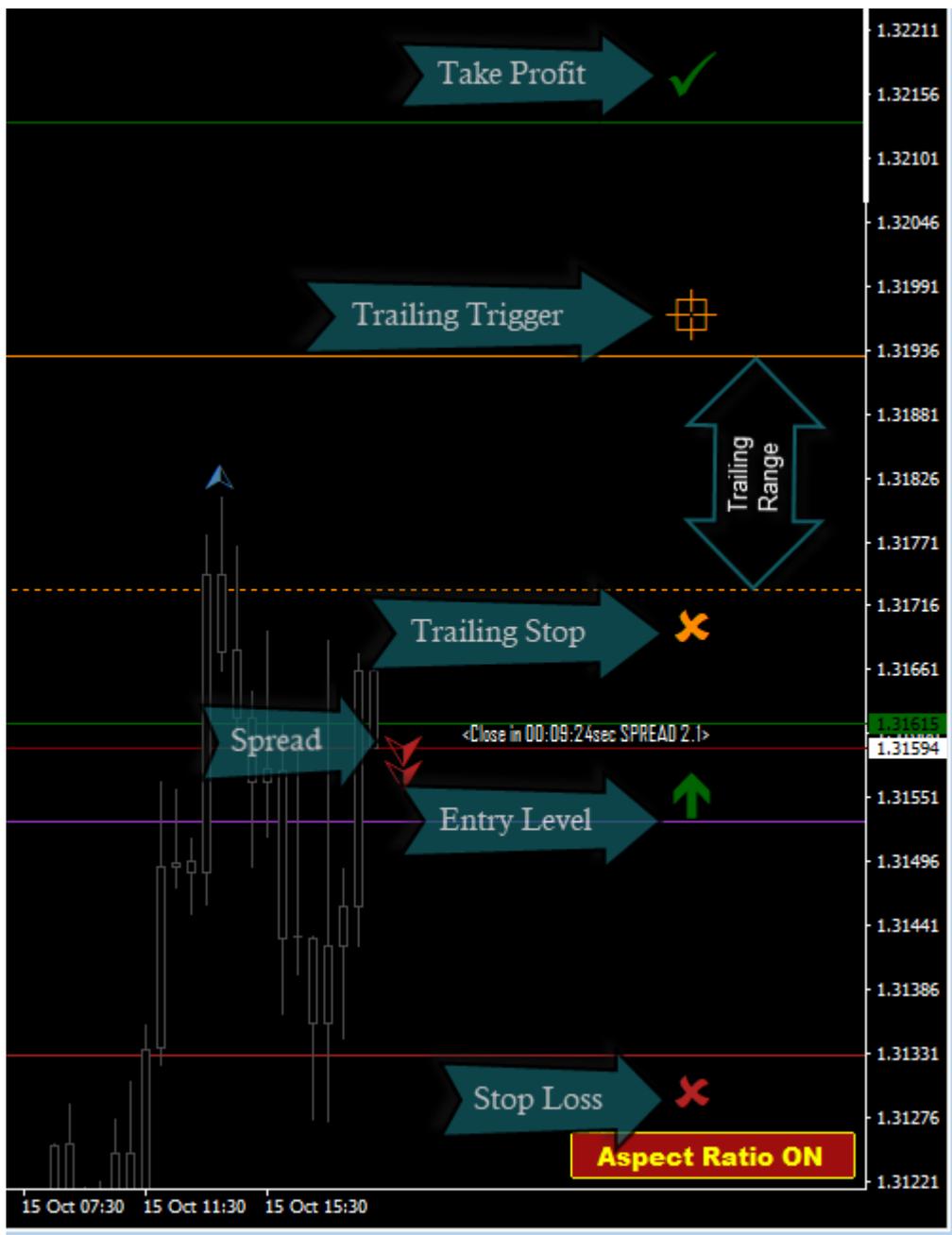


Fig. 1.1. Pending Order Prior to Activation

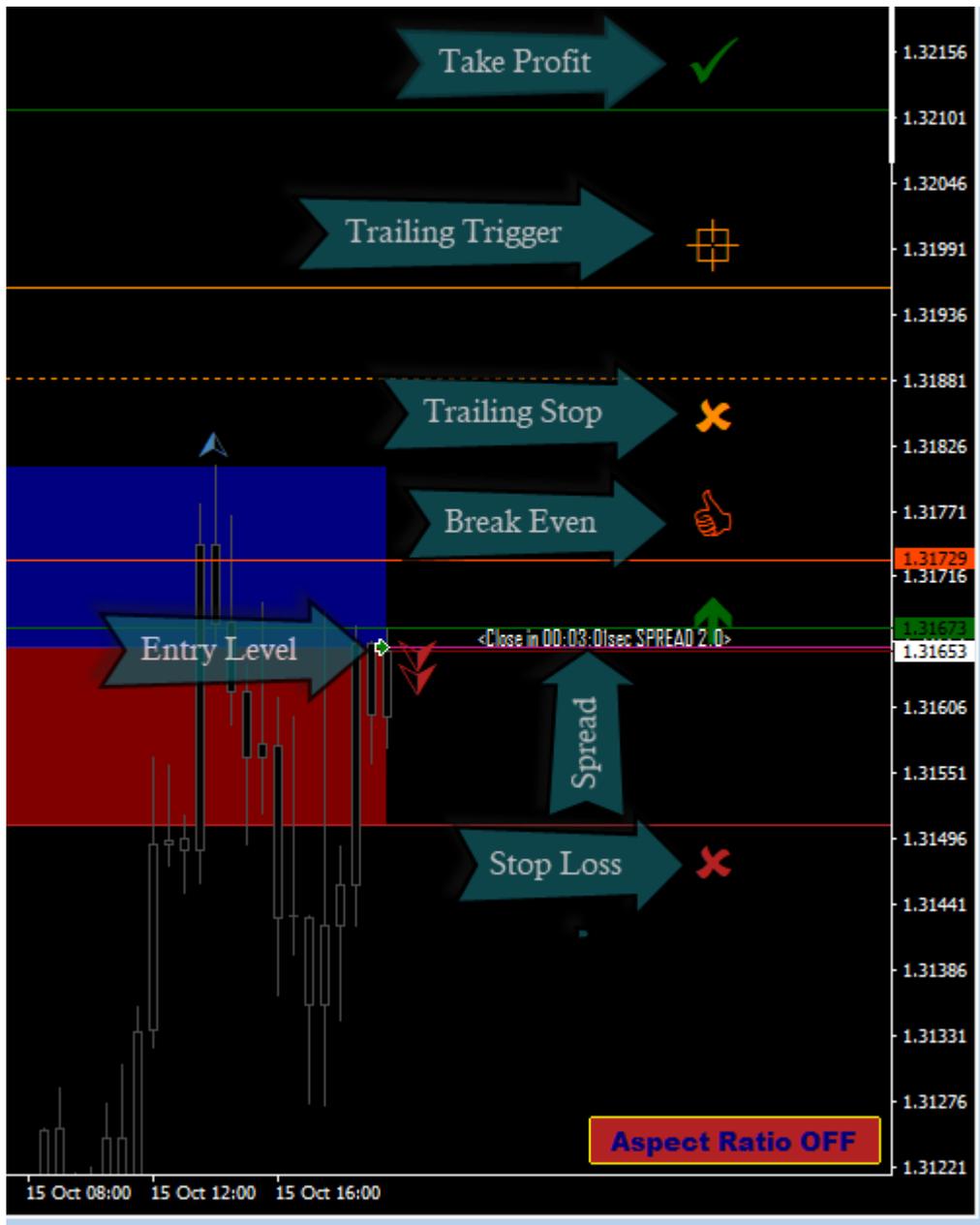


Fig. 1.2. After Pending Order Activation into a Market Order

Entry Level

The Entry Level Line represents the price level at which the original pending order has been set. It is implemented as fully drag enabled line control, allowing the user to move it up and down over the chart and drop it at the desired final price level position.

Depending of its orientation, being ABOVE or BELOW the current spread, the Entry Level can be one out of two possible flavors. It could either represent a PENDING STOP or LIMIT order on the BUY or SELL sides.

Once the current pair's active spread touches the Entry Level with either the ASK or BID lines, it becomes activated and a corresponding Market Position gets opened at that price level. This is actually the ideal case. In reality the order gets SLIPPED a little bit up or down, depending on the existing current market conditions. Because this difference takes off the preexisting RISK/REWARD ratio, an adjustment to the Take Profit and Stop Loss is detrimental. There is an internal variable that controls this functionality through a toggle ON/OFF switch value.

Because this type of Pending Order is processed internally, the Price Level at which the Market Order gets executed remains invisible to the Broker until the very last moment of the opening.

The Entry Level line can be moved by first double-clicking on the control line until it gets selected - then CLICK & MOVE UP or DOWN until dropping at desired price level.

During the actual Drag & Drop operation, all other parts included in the order move along with it simultaneously.

Flipping an Order over the Spread line

It is possible to actually cross over the spread line while dragging a position, thus flipping the order's direction on the other side. For example, if you are moving a SELL Limit order over the spread line, on the other side it will turn into a BUY Limit order. There is an internal variable that controls this functionality by setting its value to TRUE or FALSE accordingly.

Immediate Market Order Activation

Entry Levels can be activated immediately into Market Orders, should the user drags and drops the corresponding line level INSIDE the current spread of the pair on the chart. A position gets opened right away on the ASK or BID, depending on whether the order was a BUY or a SELL.

Stop Loss Level

The Stop Loss Level Line depicts the price level at which the active Market order will take a STOP by closing the current opened position.