

**Binary Options Trading Strategy** - Binary Options are also called all-or-nothing options, while trading binary options trader has two positions to decide i.e. will the value of an asset appreciate or will it go down over a set period of time? Depending on trade outcome the payout is a predetermined percentage or nothing. For Example, if a trader anticipates that the value of gold will appreciate in a given period of, and is correct, then he profits a fixed amount. If the value of gold drops however, the trader loses the entire amount of the investment. It does not matter if the asset exceeds the original price, the strike price, by \$1 or \$100: the payout is the same. Two possible outcomes when trading options make it simpler to trade. Apart from being simpler than traditional investment binary options are shorter term, sometimes as quick as just 60 seconds, allowing for repeated trade and successes. Furthermore it enables investors to take advantage of both bull (upwards) and bear (downwards) market trends. Trading itself is simple. Once you've opened your account, go to the trading platform. Select the asset you wish to trade, the expiry time, whether the value will go up (Call option) or down (Put option), and then enter the amount you wish to invest. You are in control of your investment at every stage. At the expiry time, the set payout will be automatically added to your account if you traded successfully, or the investment amount deducted if not. Fibonacci Binary Options is a robust and profitable trading strategy that uses MetaTrader4 platform Charting in order to identify binary options trade opportunities. The strategy has proved to be profitable over

multiple pairs however when starting out with this strategy it is recommended that you limit to 3-4 Currency pairs. Each currency has different peculiarities therefore once you get to know major currency pairs, i.e. (EURUSD, GPBUSD, USDCHF, USDJPY) you can then branch out to other pairs. This section is the most important section of the trading strategy it outlines the trading rules, entry/exit criteria and indicators confirmation. There is always possibility in the market that the price might move against you, so be sure that there is possibility of losing trades; therefore money management comes into play. **Following are the logic step we must follow:** Form a daily trading bias. Every day you have to have a bias, bias is what direction you expect the market to go (bullish or bearish). You can be bull in bearish market or bear in bullish market but it will be lot harder. It's rather easier to form a bias based on the market trend. It's better to go with the flow as oppose to going against it. You form bias by looking at the trend is the market making higher high or is it making lower lows. Longer term timeframe such as 4 Hour or daily will help you form a bias. Once you form a bias you will look for same direction trades on that day for the currency pair. There are innumerable ways to form a daily bias; however one of the recommended methods is using Fibonacci Channel to identify daily market bias. Open 4-Hour chart, you will encounter one of three types of market movement i.e. (Upward, Downward or sideways). For Upward Trending Market Identify higher lows of a one to two weeks period and join the points with Fibonacci Channel.



We will connect the two points with Fibonacci Channel and it will automatically draw multi-lines channels as shown in the diagram below:



The chart above shows channels and price action which naturally flows in the Fibonacci channels. In this example we will have a long bias, as the price has crossed the trendline and between the

resistance. (If the price has crossed below the support level then we should have short bias as the price is expected to reach the next trend line.) **For Downward Trending Market** Use same technique is opposite direction i.e. join lower high of the downward sloping trend to draw Fibonacci channel. The 4 hour bar just crossed above the resistance so we should have long bias until the price reverts back or bounces the top trend line.



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