

Forex Expert Adviser (II)

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How you can understand the EA result is not fake?

To avoid cheats, don't choose an Expert Advisor that isn't tested by an independent forex monitoring websites like myfxbook or forexpeacearmy.

Another factor is real account forward test I believe that the minimum acceptable forward test is 4 months don't forget that past performance is no guarantee of future performance.

Is my EA work well?

Robots can't send good signals on all market condition very well I mean trending, volatile, range-trading market if you look at their performance you can understand some time they lose because all expert adviser work according to the mathematic rules.

To choose a good expert EA it's better to understand how it work when you understand how it work you can change and customize your forex expert adviser setting according to the market condition and your knowledge.

Analyze your expert adviser statements:

Profit factor:

Profit Factor = gross profit (sum of all winning trades) / gross loss (sum of all losing trades)

The profit factor is shows you the relationship between profit and risk then the biggest profit factor means better risk/reward ratio.

Expected profit

Expected profit = [% of winning trades (average profit per trade)] - [% of losing trades (average loss per trade)]

This indicator can show you how much you could earn on each trade on average.

The drawdown:

Drawdown show you how much risk on each trade the important note is most statistic websites don't show equity drawdown they show balance drawdown some time the calculate deposit/withdrawal in drawdown stats!

It shows the percentage of maximum loss recorded since the last high point. This can give you an idea of the potential drop in your account when the robot is in trouble.

I highly recommend you to view the expert advisors' equity drawdown not balance drawdown.

At least I recommend you to choose an expert advisor who allow you to manage trading risk yourself with full time support and update.