

Lyly G. Catherine - EA Manual

Introduction & F.A.Q.

What is an EA?

EA or Expert Advisor is an automatic program designed to be able to execute trades by its own. In simple term, EA is a trading robot. For more information, please Google it.

What is the name of this EA (expert advisor)?

Lyly G. Catherine

What is Lyly G. Catherine?

Lyly is a no cost, multi time frames, trend following Expert Advisor to be used with Meta Trader platform.

How much this EA cost?

It's free, although I appreciate any donations. You are free to use with no time limitation.

If it is free, then is it good?

Yes, Lyly is a good and profitable EA. It has a winning percentage of around 80% - 95% depending your setting. You could see proofs of backtesting results inside this package.

It's free and it's good. What's the catch?

There is no catch. Well, if you insist, you could donate any amount with all your heart.

How Lyly works?

Lyly is a trend following EA based on multiple time frames and uses three (3) indicators to determine the trends. The indicators are: Heiken Ashi MA, Simple Moving Average, and Stochastic Oscillator.

Would you share the MQ4?

Nope, sorry. There are people out there who have the heart to rename Lyly and sell it to newbies. I would like to prevent that.

What is the Risk : Reward (RR) ratio?

Using static sized lot, Lyly has an average profit for 26 pips and average loss of 120 pips from Jan 1, 2007 till Dec 31, 2008. That makes the RR ratio of $120:26 \approx 5:1$. I understand that it is quite large; however Lyly has a winning percentage of more than 80%, which could turn the table around into winner. After all, there are many paid EAs out there which has worst Risk Reward ratio than Lyly, and those paid EAs are sold for hundreds of dollars while Lyly is free.

Where could I find new version of Lyly?

I have built a page at <http://forex.providenthost.com>. I'll put new version of Lyly and my other EAs there. So, bookmark that page and come back once and awhile.

Can I use Lyly G. Catherine at Mac or Linux?

Lyly is an EA for Metatrader platform. Metatrader is a Windows based application. However, Metatrader could be run using Xine (Windows Emulator) on Linux. I've successfully run a demo of Metatrader using Xine 1.14 on Linux Ubuntu 8.10 Intrepid Ibex. I think there is a Windows emulator for Mac also. Please Google it to find more information about these Windows emulators on Linux and Mac.

Is this EA a clone or copy from other EA?

Nope. Lyly uses 3 indicators which are Simple Moving Average, Heiken Ashi MA, and Stochastic Oscillator. Although it is true that, separately, those three systems are made by others, the choice and combination are purely my idea. I mix those three to work together nicely. If there is any chance that Lyly uses the exactly / nearly same technique by other EA (which was released before Lyly), that is purely coincidence.

Why your EA's look and feel similar to other EA?

I do use several codes from other open source EAs or indicators to make the coding faster and more convenient. That's why you would feel that this EA is similar to other EAs or indicators. Rest assured though that the main idea / engine is genuinely my creation.

How to Setup / Use?

Can Lyly hide Stop Loss (SL) and Take Profit (TP)?

Yes. Lyly has the ability to hide SL and TP from your broker. The TP and SL are still there for Lyly to execute, but it's hidden from your broker. You could hide only SL, only TP, or both SL and TP. Default SET files (Red, Orange, and Yellow) will hide both the SL and TP.

How to set to have no SL and no TP?

Put zero (0) at TP to use no TP. To use absolutely no SL, put zero (0) at SL and set the "Dynamic_SL" to false.

What is the time frame for Lyly?

Put Lyly on M30 chart. However, Lyly uses multiple time frames: M30, H1, H4, and D1.

What is the currency pair for Lyly G. Catherine?

I've designed Lyly using EUR/USD only. I believe the algorithm is suitable for any trending pairs/market. I just haven't tested them all yet.

Why only EUR/USD?

I've heard that there are great EAs out there which use EUR/GBP and are suffering because of the spread or other problems with brokers. That is why I'm trying to focus on EUR/USD. Several advantages of using EUR/USD:

- It has the most players in forex market & consists of 16 countries. Very liquid.
- Brokers are fighting to lower the spread of EUR/USD as part of their promotions.

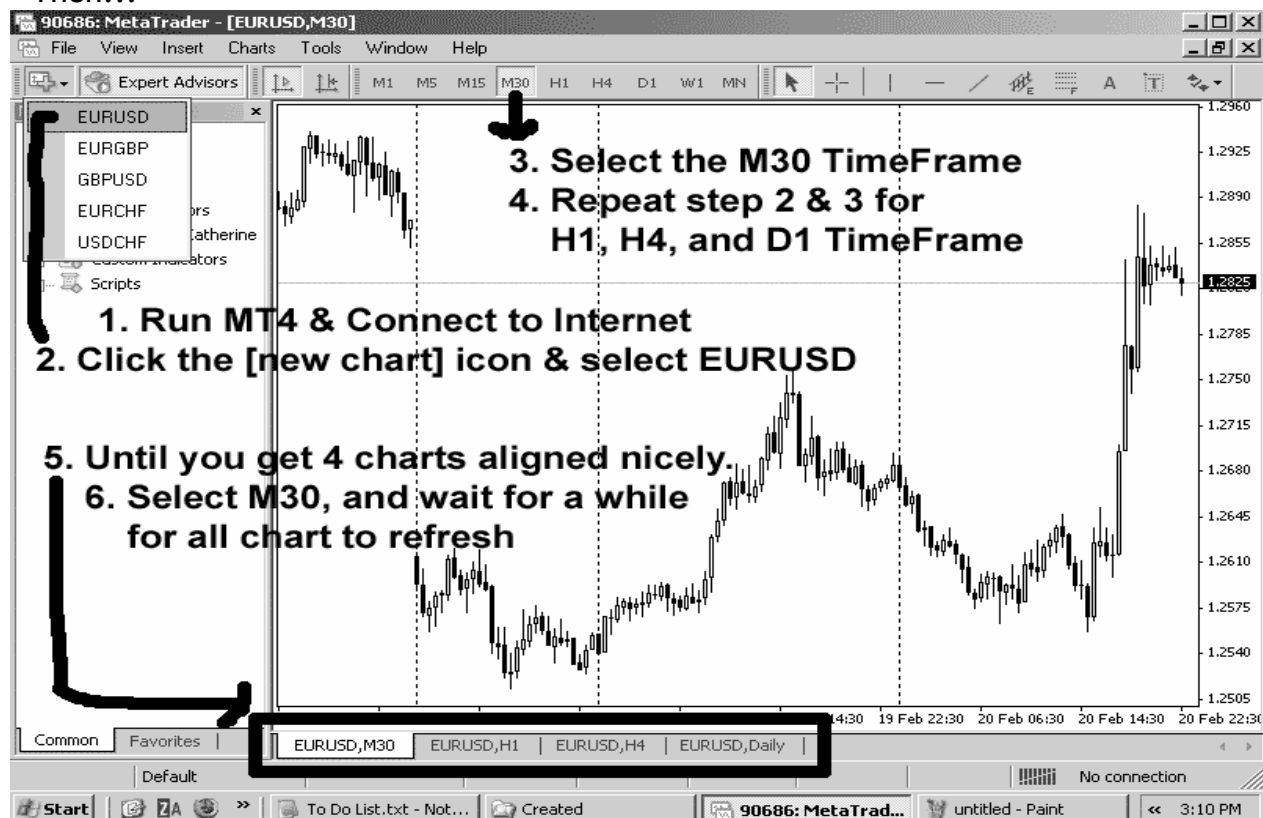
What is the best setting for Lyly?

I've provided 3 .set files:

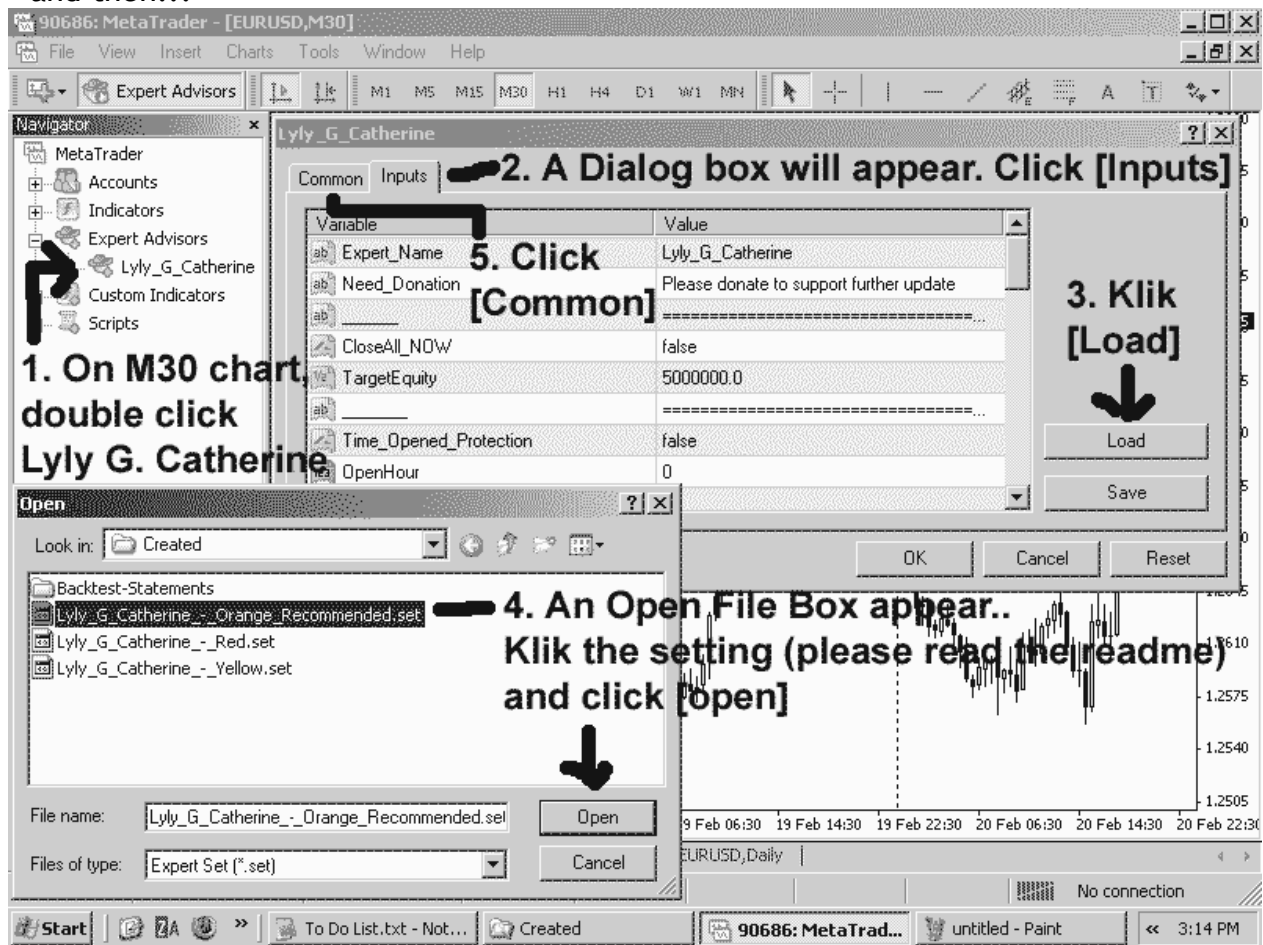
- Red Form: highest winning rate, smooth profit graph, wide drawdown. This is a high risk setting, use it with careful consideration. Recommended equity is \$10k with 1 micro lot until 1 mini lot.
- Yellow Form: Moderately high winning rate, not so smooth profit graph, smallest drawdown. This is a low risk setting. Recommended equity is \$10k with 1 mini lot until 1 normal lot.
- Orange Form (recommended): Combination of Red and Yellow Form. This is a medium risk setting. Recommended equity is \$10k. Lot sizing is automatic.

How to Attach Lyly to Metatrader?

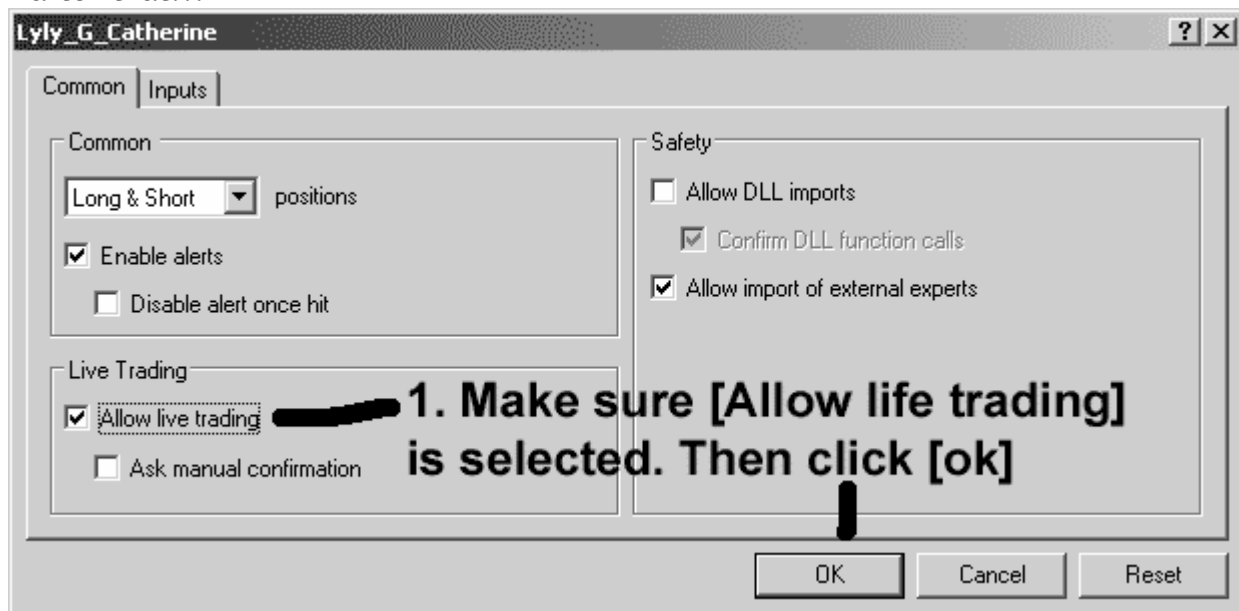
- Copy *Lyly_G_Catherine.ex4* file to *c:\program files\metatrader 4\experts*.
- Copy *HAss.ex4* and *Heiken_Ashi_Ma.ex4* files to *c:\program files\metatrader 4\experts\indicators*.
- restart Metatrader.
- Then...



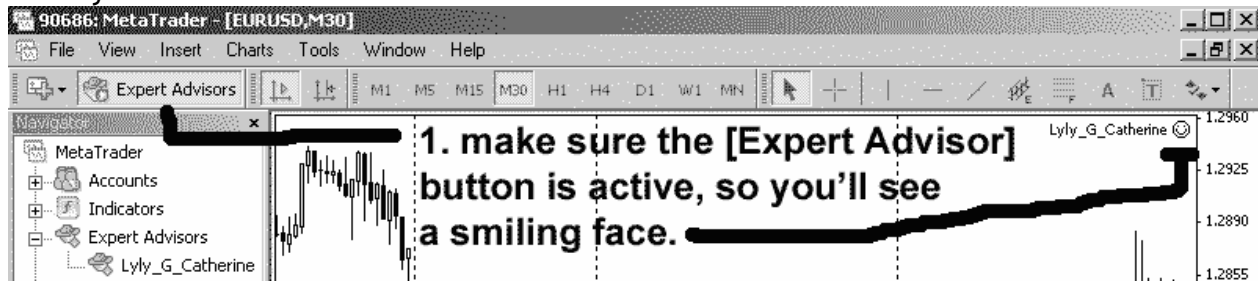
- and then...



- after that...



- lastly...



- That's it.

Testing Results (Forward & Backtest)

Which one is better, forward test or back test?

Forward test is always better. Better yet, if you could, use real money with small amount to forward test Lyly. Some experts even say that back test is useless to do and we should only rely on forward test.

Why your profit graph can be straight up like those EAs that are for sale?

A very straight line up means the winning rate is 100%. There is no EAs could achieve this kind of performance in the long run. Period.

What those marketers do, is tricking you by taking a limited certain time period where the EA performs very well, and put the screenshot up for sell. Lyly has also that kind of periods and I could do the same trick. However, I'm not selling Lyly G Catherine and I do not have the heart to trick you. What I do is provide you with an overall genuine performance, not some handpicked performance chart.

Why the tests result not very well?

I believe that forex market is dynamic and constantly changing. Thus to say that the past will repeat in the future would not necessarily true. That's why I believe that the most recent performance is a lot more important. As you can see, Lyly's performance before 2007 was mixed, however Lyly is making a great performance starting from 2007 till now. How this happens? What is different before 2007?

I believe the liquidity of EUR/USD is increasing in 2007 thus making it nicely trending, which is suitable for Lyly. According to <http://en.wikipedia.org/wiki/Eurozone>, Slovenia was admitted on Jan 1, 2007, which means more players and liquidity, and we could see the performance result is better. Then on Jan 1, 2008 Cyprus and Malta were admitted to Euro zone and Lyly also performs well.

Why my test result is different than yours?

There are several factors why our test results are different. Here are several of them:

- Difference of broker. Different brokers give different prices. Although the prices would be close, it could still affect the testing results. I use Alpari as testing broker.

- Difference of modeling quality. Although we use the same broker, if our backtesting modeling qualities are different, we would get different results. The bigger the modeling quality, the better. I use 90% modeling quality on Alpari broker.
- Difference of time period and settings. I'm only able to achieve 90% modeling quality using data from June 21, 2004 until Feb 21, 2009.

How to achieve 90% backtesting quality?

The steps, although simple, would take some pages. Please search "90% modeling quality" without brackets via Google.

Questions, Contributions, & Donation

If you have any questions or you would like to discuss with me about the future development of this EA, you could reach me in 2 ways:

→ E-forums. This is a recommended way to reach me. Your question might have already been asked and answered by others. This would definitely save your time. I mostly linger at:

- <http://www.indo-investasi.com> I'm a regular at this forum and quite active. You could reach me by the user id William.
- <http://www.forex-tsd.com> I often come here, but mostly look around and rarely join in discussions.

→ Email. You could reach me via my Paypal email. However, if possible, try to reach me via forum first. Email has many weaknesses, such as:

- Sometimes emails aren't delivered, or delivered to spam box. It's not your fault, and it's not my fault, it's just how the system works.
- I will focus on forum to answer questions about Lyly because it would be easier to organize.

Lyly G. Catherine is still in the beginning phase of development and there are many rooms for improvements. I would definitely try to fine tune Lyly into a better EA. There would also be other EAs that I would develop for different markets in the future.

To support my creativity, please donate with all your heart to my Paypal email to my bank account.

Paypal: william@providenthost.com (Don't worry, this is a verified account)

Bank information

Bank Name	: Bank Central Asia
Account Number	: 527-0660-101
Account Name	: William Zhang
Bank SWIFT	: CENAIJJA
Bank Address	: KCP Bina Nusantara
Country	: Indonesia

Disclaimer

Forex (foreign exchange) is a high risk investment. This EA is provided to you as it is. Although all necessary steps are made to make this EA profitable, the creator / author and all affiliates make no guarantee and are not responsible in any loss occurred by the use of this EA whether it is financial, material, physical, or psychological loss. By using this EA you agree to take sole responsibility by yourself.