

ProAct Traders FAQ's

This is a list of frequently asked questions from traders who are either new to ProAct Traders (PAT), and/or new to Forex Target Trading.

Q: How long has PAT been in business?

Officially since 2004, although we were in a gestation period for at least a year prior.

Q: Do you use indicators?

Yes, BUT, we never trade them. Our indicators are designed to feed us information from multiple time compressions so that we can make an informed decision about whether to take a trade position or not. We say it this way: *"We have nothing against indicators as long as you NEVER trade them!"* Our methodology and the software that shows the target trading method uses **momentum indicators** to determine if we have enough participation from the world of traders for a move to get to the target. We also have specific tools proprietary to us to find the targets.

Q: Do you ever Scalp?

NEVER!

Q: What would you say is the most important thing you look for before deciding to take a trade?

STRUCTURE, STRUCTURE, STRUCTURE. We are looking for three things in this order:

Structure

We call it the Real Estate of the Day (the part of the chart we are working with today - never below a 240/60 minute). What are they doing today and why? (What are the big boys trying to accomplish in the charts).

Probability

There are always three possibilities: up, down and sideways. Of those three what is the higher probability based on the structure and is that tradeable for me.

What is my risk?

Or as Andrew Menaker said: *What are you willing to risk to see if you are right?"*

Q: Speaking of risk, what are your risk parameters?

We trade ONLY in a wide open space (WOS) where we can press our winners WITHOUT exception. We never take a trade with less than a 1:1 reward for risk ratio. We are primarily looking for areas of 55 pips or more to put on a trade.

Q: How many trades do you make a day and what is your average pip capture?

We average 12-15 individual trades per week in all three sessions. This does not count add-ins and our average pips capture is currently around 86 pips per trade.

Q: What is your stop policy?

Our preferred method is called scaling in and there is a short video on the website to understand this. We ALWAYS trade with stops.

Q: Are your online sessions recorded?

Yes, if we are online we are recording. Depending on your participation with us will determine the recordings availability to you.

Q: What exactly is target trading?

Target trading is trading only in areas in the chart where you have high statistical probability for low risk (WOS). It is about knowing the exit before we make an entry and then managing that trade and subsequent add-ins to its predetermined destination. Time in the trade is not a critical factor. We could be in for ten minutes or 2 days.

Q. Will you show us your personal trading record?

No, because no one really cares what the mentor can do, what matters to traders is can I do it. You will be in a room with tons of traders making hundreds of pips and these are traders who learned how to do it here in these same rooms. The other factor is that it is illegal. The CFTC calls it an enticement. Showing a trading record presents; that because I can do it is indicative that you can.

Q: Do you call trades in the Room?

Technically NO. However, when the opportunity presents itself we explain the parameters of a possible trade in a WOS, the potential risk for reward and the areas to add to the trade. The decision to take a trade is 100% the trader's choice.

Q: Will you show us how to analyze the charts?

Yes, and demo traders have access to 6 beginner's lessons that shows you exactly how we do it. We try and do at least one LIVE chart every session.

Q: Do you provide trade signals?

No, you must be specifically licensed for that. We also ethically do not believe in it. We do however, do several things.

1. We do a session recap at the end of each session that is recorded and is available to our Live room and Fast Track subscribers (no charge).
2. We also send out 2-3 potential trade alerts each day, Monday – Thursday which are Ideas in a WOS that may prove fruitful in the later sessions. They are trade alert not signals, but because

our traders do trade them they become part of our trader's record. This is also available to our Live room and Fast Track subscribers (no charge).

3. We have a software program called Dealers Choice that hunts for the two most popular trades in the live room and alerts when the parameters have been met. It is not a black box or trade signal it is simply an alert to a possible opportunity.

Q: What would you say your trading philosophy is?

We believe that anyone with average intelligence can trade the Forex. There is no rocket science here, but there are a lot of pieces. We believe most traders vastly underestimate the time it takes to learn the Forex. They are looking for some short cut and there is none. Most traders teach themselves bad habits in the process of learning how to trade (scalping is a great example) and throw away most of their trading capital and then do not have the staying power to stay in the game long enough to see consistent success.

Q: How many trade setups do you have?

Because the market does three things: Ranges, Reverses and Trends, we have trade setups for each of these different market structures. Our Fast Track traders have 10 distinct separate trade setups that cover these very different market conditions and are a proprietary secret. In the Live room we are only concentrating on three setups but all to known predetermined targets.

Q: How long does it take to get proficient at target Trading?

Some traders who have already a lot of experience will snap to it in 3 weeks or so. Other's take longer, and still others who won't do the work and continue to look for short cuts NEVER get it. It is all about the Trader; how bad do they want it, what are they willing to do to achieve consistent success and will they be a disciplined trader. Everything above are personal variables that are impossible to quantify whether it will be you who will get there.

Q: Do you have any success stories of people who have been under your tutelage and used your methodology?

Yes, first you will see a bunch of them in the live room. We have one trader who won the FXCM King of the mini contest 3 times, another who won the Forex Roll contest 2 years ago (came in first out of 2000 traders), one who runs a major well known Forex company online trading, one who is now a bank risk consultant in Europe, still another who is a bank trader at Societe General. It would be a violation of our privacy rules to give you their contact info.

Q: Why are you giving us a two-week demo for free in your rooms?

We want you to see first-hand traders actually making money in the Forex, and see that the methodology is accessible and attainable by you the trader. We are not marketers, so spinning our story is something we would rather not do (we let the professional's do that). By sitting in the room you can tell whether this is your new home or not. It really is as simple as that.

Q: You say several places that there are different levels of participation with ProAct Traders, can you elaborate?

We have 5 levels of participation and they are:

GOOD

A 7-day live room trader – a person who wants to stick their foot in the water, observe and see if they want to move further in. There is no cost for this.

A 10-day demo chart subscriber. They have decided to take the plunge and try out the charts in the live room. There is no cost for this.

BETTER

Live room and chart subscriber. This is the first level to get involved in. The cost is @200 a month for charts and an additional \$100 a month for the live room (think \$25 per week). It includes both the London and the NY live rooms.

Chart subscriber only. This person has typically been in the live room for 2-3 or more months, and is now ready to be totally on their own. The cost is @200 a month.

BEST

Fast Tracker trader. This person has committed to a 1-year mentorship. There is a one-time fee and then after two months they pay only the \$200 per month but have access to everything including, initial 3-day intensive webinar, one on one session, advanced training, live rooms and private room daily in the NY. As long as one is a chart subscriber they can review the 3-day webinar, recordings etc. with no additional charge. When you are in the room, you will note that the vast majority of traders who knock down the bigger pips are all Fast Trackers.

Specific information about each program is located on our website.

Q: Why don't you just trade and not train?

We would love to, but the path that our company took initially was the software route and it became clear that software without the educational component, would not be sustainable. I (Scott) love to train and most of my professional life was training in the international arena. I have a passion, for helping people understand complex things and it is also my gift. I trade everyday live but not at the level I used to because most of my day is taken up in either a live room, one on one's after the live room and of course all the necessary things that you have to do when you have a successful business.

Q: Where would I look if I had a different question than those here?

On our website is a knowledge base with over 500 questions.