



STATISTICAL INDICATOR

FOREX LIBRA CODE

This short manual aims to explain how to use and apply the Statistical indicator which is part of the Forex Libra Code software.

The Statistical indicator is available to the Forex Libra Code members, inside the Gifts section. (Download link - <http://www.vladimirribakov.org/premium/flc-progress-gift-1/>)

Assuming that you have downloaded and installed the indicator, let's move forward to the next step which is how to use it.

MAIN IDEA: Identify reliable reversal dates on your chart – be that may Tops or Bottoms. In essence the indicator represent vertical support and resistance ranges which the trader might use as an extra confirmation to other factors and variables in the decision making process.



HOW TO ATTACH THE INDICATOR TO A CHART?

Attach the indicator to your preferred instrument and switch to the D1 (daily) chart. Statistical indicator is **ALWAYS** used on the D1 chart.

- A. To attach the indicator open the Navigation Panel in MT4 (CTRL + N).
- B. Next expand the Indicators list and find the "ForexLibraCodeStatistics".
- C. Double click or Drag&Drop to the chart to load the indicator.
- D. Confirm with Ok.

This is what you should be seeing after the 4 steps above.

Day	Up	Dn	Both
1	4(1.3)	8(2.7)	12(2.0)
2	8(2.6)	7(2.3)	15(2.5)
3	15(5.0)	5(1.7)	20(3.3)
4	13(4.3)	11(3.7)	24(4.0)
5	4(1.3)	14(4.7)	18(3.0)
6	10(3.3)	12(4.0)	22(3.7)
7	9(3.0)	8(2.7)	17(2.8)
8	8(2.6)	12(4.0)	20(3.3)
9	5(1.7)	8(2.7)	13(2.2)
10	12(4.0)	10(3.3)	22(3.7)
11	14(4.6)	6(2.0)	20(3.3)
12	13(4.3)	14(4.7)	27(4.5)
13	7(2.3)	13(4.3)	20(3.3)
14	15(5.0)	4(1.3)	19(3.2)
15	12(4.0)	13(4.3)	25(4.2)
16	7(2.3)	14(4.7)	21(3.5)
17	11(3.6)	8(2.7)	19(3.2)
18	11(3.6)	9(3.0)	20(3.3)
19	10(3.3)	4(1.3)	14(2.3)
20	5(1.7)	16(5.3)	21(3.5)
21	11(3.6)	8(2.7)	19(3.2)
22	13(4.3)	7(2.3)	20(3.3)
23	12(4.0)	18(6.0)	30(5.0)
24	7(2.3)	9(3.0)	16(2.7)
25	8(2.6)	12(4.0)	20(3.3)
26	11(3.6)	9(3.0)	20(3.3)
27	11(3.6)	8(2.7)	19(3.2)
28	11(3.6)	7(2.3)	18(3.0)
29	9(3.0)	10(3.3)	19(3.2)
30	11(3.6)	11(3.7)	22(3.7)
31	5(1.7)	5(1.7)	10(1.7)



HOW IT WORKS?

The software will read all available data on the chart that is applied to. In other words, it will go through all bars and it will determine on what **Days** the price has made a **Top (Up)** or a **Bottom (Dn)**.

The indicator is designed in the form of a table. It consists of 4 Columns: **Day**, **Up**, **Dn**, **Both**.

You can click on each of them in order to arrange the data in the table. By **Default** the table would be arranged by **Day** in **Ascending** order.

Day – shows the days of the month 1 to 31.

Up – consists of 2 numbers. First number represents how many times the price created a top, on the current chart, where the indicator is loaded. Second number, in brackets, represents the first number in percentages.

Example: Let's look at the first line from the image below. On Day 1, the price has made 4 Tops which is 1.3% of the total.

Dn – Same idea is Up but in this column you will find the data for Bottoms. Once again you will see two numbers. First number will tell you how many times the price created a Bottom, while the second number, represents the first one, in percentages.

Both – In this column you will find which days created most Tops and Bottoms. In reality Day 15th for example, might create a top or a bottom depending on the current market trend. Just like the horizontal support/resistance works – if price is above the level – it is called support, if price is below the level it is called resistance. If you decide to arrange the table by Both, you will see what days creates most Tops or Bottoms. You can expect the price to find support/resistance in such days and either reverse or correct itself.

Day	Up	Dn	Both
1	4(1.3)	8(2.7)	12(2.0)
2	8(2.6)	7(2.3)	15(2.5)
3	15(5.0)	5(1.7)	20(3.3)
4	13(4.3)	11(3.7)	24(4.0)
5	4(1.3)	14(4.7)	18(3.0)
6	10(3.3)	12(4.0)	22(3.7)
7	9(3.0)	8(2.7)	17(2.8)
8	8(2.6)	12(4.0)	20(3.3)
9	5(1.7)	8(2.7)	13(2.2)
10	12(4.0)	10(3.3)	22(3.7)
11	14(4.6)	6(2.0)	20(3.3)
12	13(4.3)	14(4.7)	27(4.5)
13	7(2.3)	13(4.3)	20(3.3)
14	15(5.0)	4(1.3)	19(3.2)
15	12(4.0)	13(4.3)	25(4.2)
16	7(2.3)	14(4.7)	21(3.5)
17	11(3.6)	8(2.7)	19(3.2)
18	11(3.6)	9(3.0)	20(3.3)
19	10(3.3)	4(1.3)	14(2.3)
20	5(1.7)	16(5.3)	21(3.5)
21	11(3.6)	8(2.7)	19(3.2)
22	13(4.3)	7(2.3)	20(3.3)
23	12(4.0)	18(6.0)	30(5.0)
24	7(2.3)	9(3.0)	16(2.7)
25	8(2.6)	12(4.0)	20(3.3)
26	11(3.6)	9(3.0)	20(3.3)
27	11(3.6)	8(2.7)	19(3.2)
28	11(3.6)	7(2.3)	18(3.0)
29	9(3.0)	10(3.3)	19(3.2)
30	11(3.6)	11(3.7)	22(3.7)
31	5(1.7)	5(1.7)	10(1.7)

Default Settings:

* Arranged by Day
* Ascending Order -
numbers go from
the smallest to the
largest.



HOW TO ARRANGE THE DATA?

If you are looking for a top, you want to arrange the “table” by the Up Column and you want to arrange it in Descending Order – highest number on top (the most reliable one).

In the example below price made most tops (15 tops which is 5.0% of the total) on the 3rd (day of the month – first column). Now you know that for this specific pair, 3rd of the month (+/- 1 day) is a very strong day which statistically showed most Tops to be created.

**Data arranged by Up (Tops)
in Descending Order -
largest to the smallest
number**

Day	Up	Dn	Both
3	15(5.0)	5(1.7)	20(3.3)
14	15(5.0)	4(1.3)	19(3.2)
11	14(4.6)	6(2.0)	20(3.3)
12	13(4.3)	14(4.7)	27(4.5)
4	13(4.3)	11(3.7)	24(4.0)
22	13(4.3)	7(2.3)	20(3.3)
15	12(4.0)	13(4.3)	25(4.2)
10	12(4.0)	10(3.3)	22(3.7)
23	12(4.0)	18(6.0)	30(5.0)
21	11(3.6)	8(2.7)	19(3.2)
17	11(3.6)	8(2.7)	19(3.2)
18	11(3.6)	9(3.0)	20(3.3)
26	11(3.6)	9(3.0)	20(3.3)
27	11(3.6)	8(2.7)	19(3.2)
28	11(3.6)	7(2.3)	18(3.0)
30	11(3.6)	11(3.7)	22(3.7)
19	10(3.3)	4(1.3)	14(2.3)
6	10(3.3)	12(4.0)	22(3.7)
29	9(3.0)	10(3.3)	19(3.2)
7	9(3.0)	8(2.7)	17(2.8)
25	8(2.6)	12(4.0)	20(3.3)
8	8(2.6)	12(4.0)	20(3.3)
2	8(2.6)	7(2.3)	15(2.5)
13	7(2.3)	13(4.3)	20(3.3)
16	7(2.3)	14(4.7)	21(3.5)
24	7(2.3)	9(3.0)	16(2.7)
9	5(1.7)	8(2.7)	13(2.2)
20	5(1.7)	16(5.3)	21(3.5)
31	5(1.7)	5(1.7)	10(1.7)
1	4(1.3)	8(2.7)	12(2.0)
5	4(1.3)	14(4.7)	18(3.0)

In the next example you see the same table arranged by DN (Bottoms) in descending order –



highest number on top.

What this image is telling us, is that price made a Bottom 18 times in the past, on the 23rd of the month. This is very strong and reliable number.

**Data arranged by Dn
(Bottoms)
in Descending Order -
largest to the smallest**

Day	Up	Dn	Both
23	12(4.0)	18(6.0)	30(5.0)
20	5(1.7)	16(5.3)	21(3.5)
16	7(2.3)	14(4.7)	21(3.5)
5	4(1.3)	14(4.7)	18(3.0)
12	13(4.3)	14(4.7)	27(4.5)
15	12(4.0)	13(4.3)	25(4.2)
13	7(2.3)	13(4.3)	20(3.3)
6	10(3.3)	12(4.0)	22(3.7)
8	8(2.6)	12(4.0)	20(3.3)
25	8(2.6)	12(4.0)	20(3.3)
4	13(4.3)	11(3.7)	24(4.0)
30	11(3.6)	11(3.7)	22(3.7)
29	9(3.0)	10(3.3)	19(3.2)
10	12(4.0)	10(3.3)	22(3.7)
26	11(3.6)	9(3.0)	20(3.3)
24	7(2.3)	9(3.0)	16(2.7)
18	11(3.6)	9(3.0)	20(3.3)
17	11(3.6)	8(2.7)	19(3.2)
9	5(1.7)	8(2.7)	13(2.2)
7	9(3.0)	8(2.7)	17(2.8)
27	11(3.6)	8(2.7)	19(3.2)
21	11(3.6)	8(2.7)	19(3.2)
1	4(1.3)	8(2.7)	12(2.0)
28	11(3.6)	7(2.3)	18(3.0)
22	13(4.3)	7(2.3)	20(3.3)
2	8(2.6)	7(2.3)	15(2.5)
11	14(4.6)	6(2.0)	20(3.3)
3	15(5.0)	5(1.7)	20(3.3)
31	5(1.7)	5(1.7)	10(1.7)
14	15(5.0)	4(1.3)	19(3.2)
19	10(3.3)	4(1.3)	14(2.3)

VERTICAL RANGES

You will notice that many times there will be 2-3 or more Days that are near the top of the table (making them reliable compared to the ones that are near the bottom) and are pretty close to each other. Look at the image above and you will see that Days: 23,20,25 and a bit lower 24,26 are very close to each other. This is how the indicator creates vertical ranges for



us. A range where we can expect the price to correct or reverse from the current market trend.

Just like horizontal supports and resistances are never a single level (1 pip) but more of a range or zone (5-10-20 pips depending on the time frame), same is for the Statistical dates.

HOW TO APPLY IT IN OUR TRADING?

As explained in the beginning the purpose of the indicator is to show us what are the most reliable days (statistically) during the month, where we can expect the price to create a Top or a Bottom.

Think of it a vertical support/resistance.

When we combine the information from the statistical indicator with Cycles for example, we can get extremely accurate information about future reversals or corrections.

When the indicator is applied to the chart, look at the current market trend and/or use Cycles to determine whether the price is in a bullish/bearish cycle at the moment. Once you know the direction, the Cycles will give you a horizontal levels to watch for reversals/corrections while the Statistics will give you a vertical range for reversals/corrections.

When the two coincide, the chances of a reversal are very high. This is where we want to **trade the correction**. Let's take a look at an example:



1. Down trend and a bearish cycle
2. Statistics – 12,13,15,16 – creating a very tight range where we can expect the price to create a Bottom (arranged by Dn in Descending Order).

Fantastic – the information from Cycles and Statistics is matching so there is a very high chance we will see a reversal or at least a correction from this box (vertical + horizontal ranges)

When you spot such situations, you want to go to the intraday time frames (M5/M15/M30) and look for Forex Libra Code signals **IN THE DIRECTION OF THE CORRECTION**. And since that was a bearish trend, and we expect a bullish correction/reversal, we are going to



look for BUY signals on the smaller time frames using Forex Libra Code.

Let's take a look at another example. This time we are looking at the H4 chart where the trend is bullish. There is a cycle that we are following as well.

Here is what the statistical indicator is showing us on the Daily chart:

Day	Up	Dn	Both
3	15(5.0)	5(1.7)	20(3.3)
14	15(5.0)	4(1.3)	19(3.2)
11	14(4.6)	6(2.0)	20(3.3)
12	13(4.3)	14(4.7)	27(4.5)
4	13(4.3)	11(3.7)	24(4.0)
22	13(4.3)	7(2.3)	20(3.3)
15	12(4.0)	13(4.3)	25(4.2)
10	12(4.0)	10(3.3)	22(3.7)
23	12(4.0)	18(6.0)	30(5.0)
21	11(3.6)	8(2.7)	19(3.2)
17	11(3.6)	8(2.7)	19(3.2)
18	11(3.6)	9(3.0)	20(3.3)
26	11(3.6)	9(3.0)	20(3.3)
27	11(3.6)	8(2.7)	19(3.2)
28	11(3.6)	7(2.3)	18(3.0)
30	11(3.6)	11(3.7)	22(3.7)
19	10(3.3)	4(1.3)	14(2.3)
6	10(3.3)	12(4.0)	22(3.7)
29	9(3.0)	10(3.3)	19(3.2)
7	9(3.0)	8(2.7)	17(2.8)
25	8(2.6)	12(4.0)	20(3.3)
8	8(2.6)	12(4.0)	20(3.3)
2	8(2.6)	7(2.3)	15(2.5)
13	7(2.3)	13(4.3)	20(3.3)
16	7(2.3)	14(4.7)	21(3.5)
24	7(2.3)	9(3.0)	16(2.7)
9	5(1.7)	8(2.7)	13(2.2)
20	5(1.7)	16(5.3)	21(3.5)
31	5(1.7)	5(1.7)	10(1.7)
1	4(1.3)	8(2.7)	12(2.0)
5	4(1.3)	14(4.7)	18(3.0)

And here is the H4 chart which I mentioned above where we can find a bullish cycle:



Price is reaching the 161.8% (double bullish cycle) on the 19th of the month. We check the statistics and we see that there is a relatively strong and reliable range 17/18/21/23rd (see image below)



Day	Up	Dn	Both
3	15(5.0)	5(1.7)	20(3.3)
14	15(5.0)	4(1.3)	19(3.2)
11	14(4.6)	6(2.0)	20(3.3)
12	13(4.3)	14(4.7)	27(4.5)
4	13(4.3)	11(3.7)	24(4.0)
22	13(4.3)	7(2.3)	20(3.3)
15	12(4.0)	13(4.3)	25(4.2)
10	12(4.0)	10(3.3)	22(3.7)
→ 23	12(4.0)	18(6.0)	30(5.0)
→ 21	11(3.6)	8(2.7)	19(3.2)
→ 17	11(3.6)	8(2.7)	19(3.2)
→ 18	11(3.6)	9(3.0)	20(3.3)
26	11(3.6)	9(3.0)	20(3.3)
27	11(3.6)	8(2.7)	19(3.2)
28	11(3.6)	7(2.3)	18(3.0)
30	11(3.6)	11(3.7)	22(3.7)
19	10(3.3)	4(1.3)	14(2.3)
6	10(3.3)	12(4.0)	22(3.7)
29	9(3.0)	10(3.3)	19(3.2)
7	9(3.0)	8(2.7)	17(2.8)
25	8(2.6)	12(4.0)	20(3.3)
8	8(2.6)	12(4.0)	20(3.3)
2	8(2.6)	7(2.3)	15(2.5)
13	7(2.3)	13(4.3)	20(3.3)
16	7(2.3)	14(4.7)	21(3.5)
24	7(2.3)	9(3.0)	16(2.7)
9	5(1.7)	8(2.7)	13(2.2)
20	5(1.7)	16(5.3)	21(3.5)
31	5(1.7)	5(1.7)	10(1.7)
1	4(1.3)	8(2.7)	12(2.0)
5	4(1.3)	14(4.7)	18(3.0)

Et voila – we are inside the Statistical range (reliable dates), price is near one of the 3 important Fibonacci levels 161.8% saying that this cycle might be near the end. We check for divergence (bearish) to confirm the end of the cycle and divergence is also there. It all lines up! There is a huge potential that price is about to reverse any time now, and we want to be ready for that.

So what do we do? Once all that is confirmed (Statistics + Cycle which comes with divergence) we drop to the M5/M15 time frames, and start looking for SELL signals.

SUMMARY:



Find a cycle (H4/D1/W1 charts), confirm the end of the cycle with divergence, check Statistics on D1 chart and if it all comes together, drop down to the lower time frames and look for Forex Libra Code signals, in the opposite direction of the cycle.

Yours,

Vladimir