



## Welcome to Foresight-A.I.™!

We're glad you've decided to make Foresight-A.I. a part of your trading strategy<sup>1</sup>. This powerful and unique tool is designed to help take the guesswork out of forex trading by offering you a forecast of times that the market may hit highs and lows during the day, as well as the intraday market direction of your selected instruments.

### Learning to Use a Timing Indicator

Knowing when to trade is just as important as knowing what market and at what price to trade. While there are a number of pricing indicators available, there are very few timing indicators. Foresight-A.I. forecasts the times when prices may change direction, along with the general direction of the trend that may follow.

As the forecast is displayed on a price chart, it is natural for most traders to mistakenly consider the apparent magnitude displayed, instead of the time alone. However, Foresight-A.I. is not programmed to forecast magnitude.

As the charts show price on the Y-axis and time on X-axis (vertical and horizontal, respectively), traders should get used to focusing as much attention on time as they do prices. And remember, as with any indicator, Foresight-A.I. should be used along with other indicators as part of a comprehensive trading strategy. You will also have to use additional analysis methods to forecast both prices and magnitude.

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<sup>1</sup> Forex trading involves high risk with the potential for substantial losses, with or without the use of Foresight A.I. Foresight A.I. is offered as an analytical tool which seeks to predict future market movements, but the issuer does not represent or warrant that the markets will behave as predicted by Foresight A.I. Foresight A.I. is intended to assist traders in making their own trading decisions and does not provide specific trade recommendations. Past results are not necessarily indicative of future results.

## Logging in to Foresight-A.I.

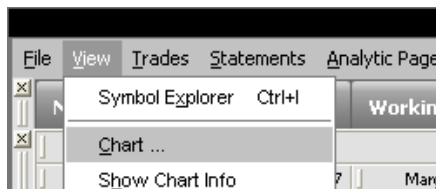
Foresight-A.I. is fully integrated with the forex trading platform, providing you with fast, easy access to the information you need when you need it. To access Foresight-A.I., you must first login to the platform.



## Open A Chart and Place the Forecast

Foresight-A.I. forecasts are typically available by 11:00 GMT the evening before the next trading day. However, the level of correlation can't be verified until trading has actually begun, so this forecast should only be used to run "what-if" scenarios and determine potential entry and exit points.

When combined with your own analysis of price using methods of analysis such as Fibonacci retracements or pivot levels, this information can be highly useful in determining when to place your trades. You may wish to study some of the historical forecasts.



Foresight-A.I. forecasts are overlaid on the two-minute charts of your chosen symbol within the platform.

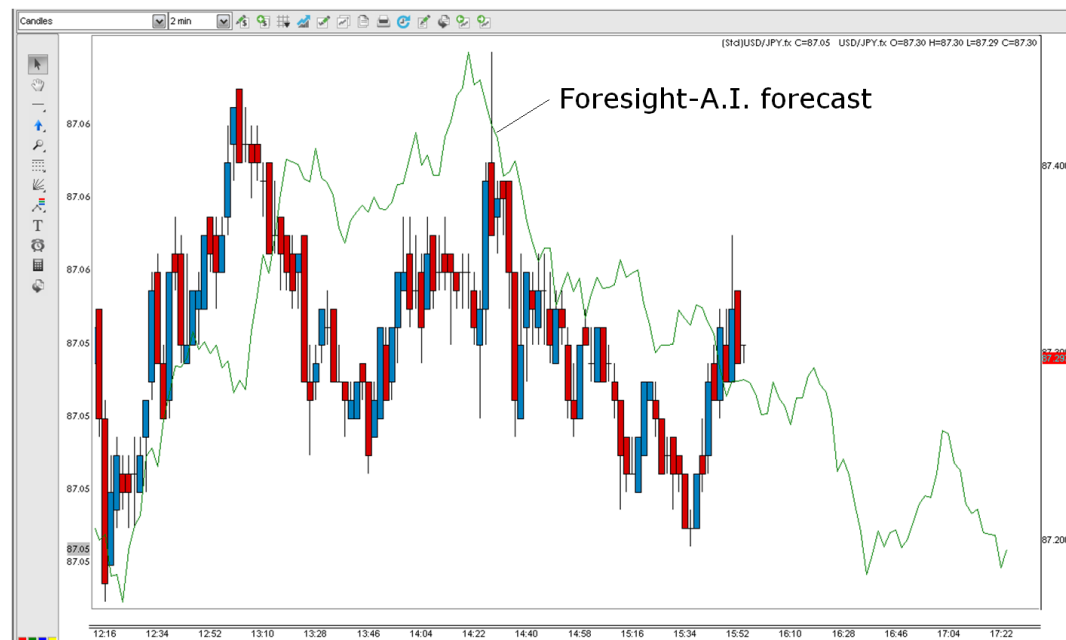
Placing the Foresight-A.I. Forecast:

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1. Make sure you are logged in.
2. Click the **View** menu and select **Chart**.
3. Select your instrument from the list.
4. When the chart loads, select the two-minute chart timeframe you want.

5. Click the Change Secondary Symbol button in the Chart toolbar.
6. Select Foresight-A.I.

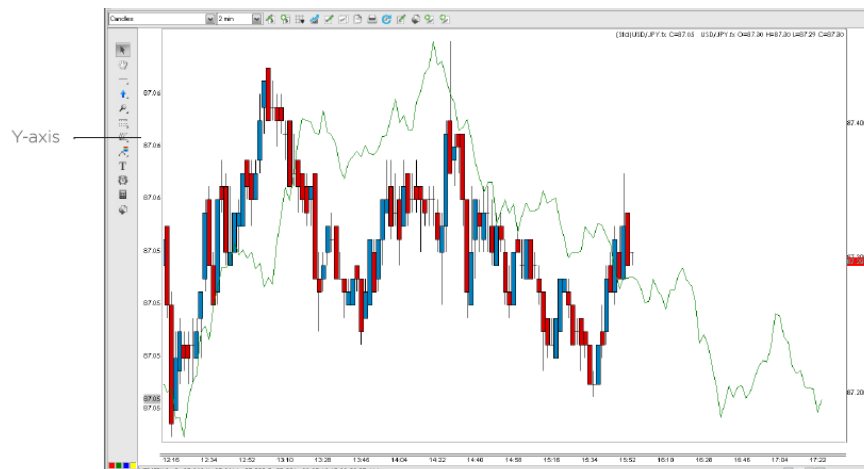
Once selected, the Foresight-A.I. forecast will appear overlaid on the chart.



If the forecast is not visible, you may adjust its size by clicking in the number field on the left and dragging downward. If the forecast is still not visible, try scrolling left (backward in time) on the chart by clicking in the timeline at the bottom of the chart and dragging to the left. In addition, if you double-click on the prices on the left side of the chart, it will rescale the forecast closer to the chart.

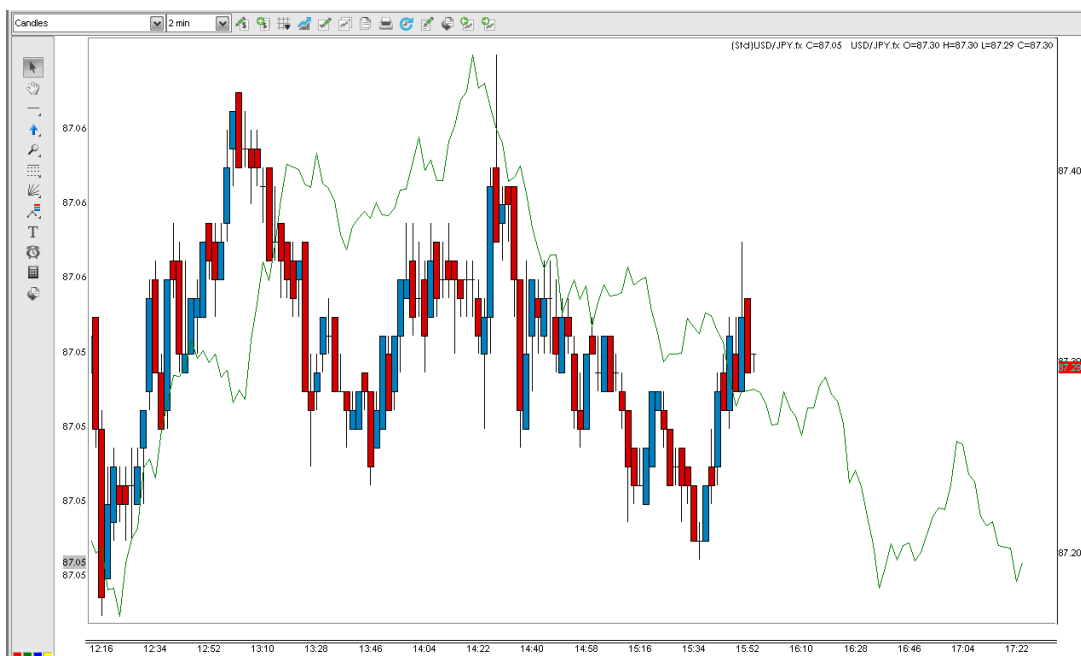
## Changing the Foresight-A.I. Scale

By selecting the numbers on the left side of the chart (Y-axis), you can change the scale of Foresight-A.I. Simply click and drag to see how the times and market direction line up with current market activity (the numbers on this scale are irrelevant and can be ignored, all prices are displayed on the right side of the chart). When you have adjusted the forecast to your preferred size, you can then see how it matches up with the current day's market activity.



## Interpreting the Foresight-A.I. Scale

Like any indicator, Foresight-A.I. will not be correct 100% of the time. Many factors affect market movements and, while Foresight-A.I. is an excellent method for timing market movements, it is important to recognize that some forecasts may be partially or entirely off the mark.



### When to get started:

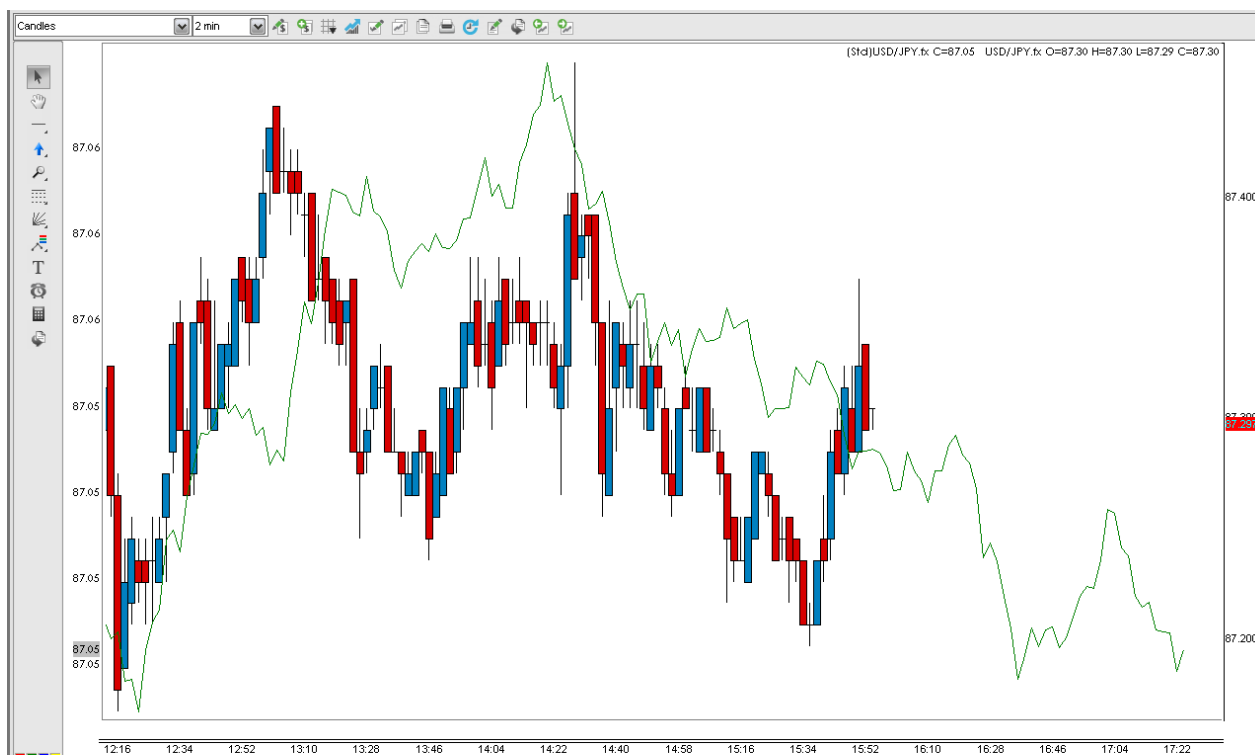
While the Foresight-A.I. forecast is available the night before, it is vital that you wait until the following morning to determine how the forecast correlates with actual market movement.

Once the forecast has been running on the chart for at least 30 minutes, you may begin to evaluate how it correlates. Some markets or trading days may require a longer timeframe to verify how it corresponds with your own market-direction analysis.

There are three ways to interpret a Foresight-A.I. forecast: standard, inverted and low-correlating.

## Standard Correlation

A standard Foresight-A.I. forecast will be displayed as a green line by default and will be noted at the top of your chart.

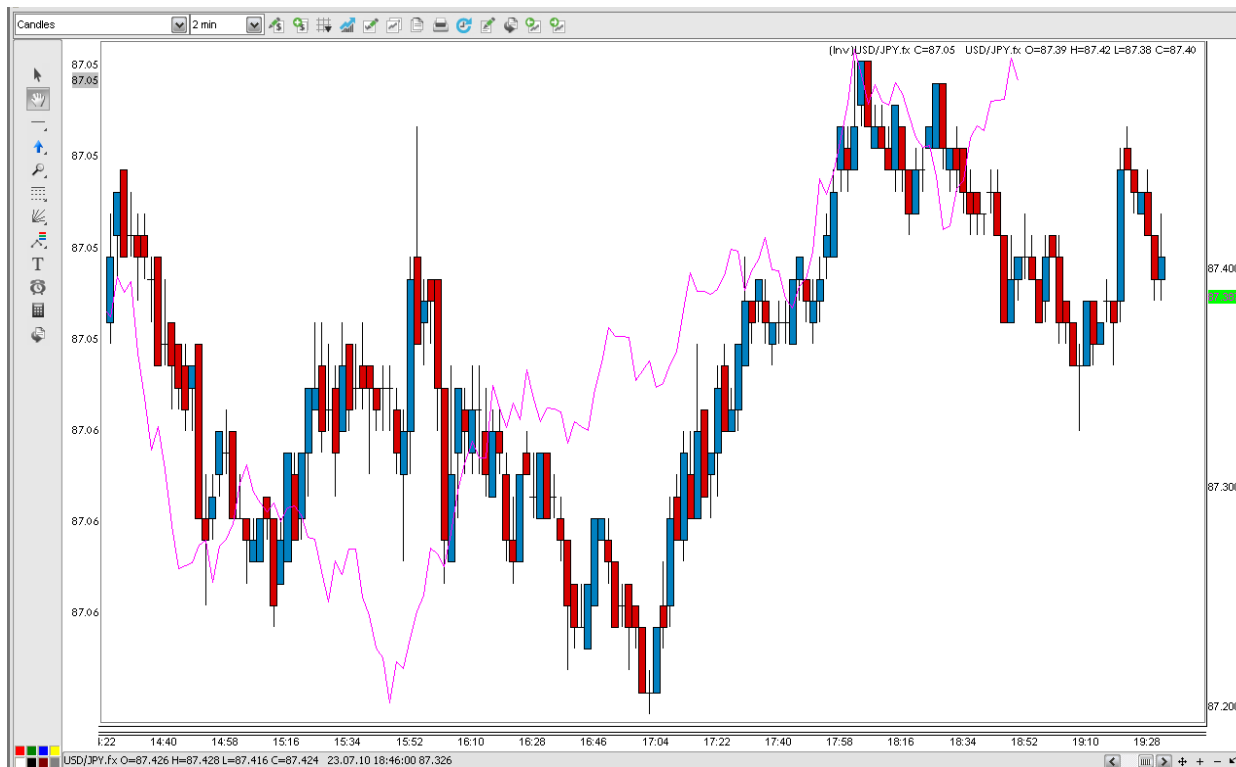


When assessing and attempting to interpret the extent of correlation with a **Standard Forecast**, look for the following cues:

- Market prices may move in the same direction as forecasted (i.e., the forecast is up and the market moves up or the forecast is down and the market moves down).
- Forecasted times of highs and lows correlate with actual highs and lows.
- Using your preferred pricing tool, your analysis confirms the forecast.

## Inverted Correlation

An inverted forecast means that the market movements are generally the opposite of what is actually happening with the market. Highs are lows, up-trends are downtrends, etc. However, this is not technically an incorrect forecast. While it is not clear why some forecasts are inverted, you can easily match an inverted forecast to your chart by pressing CTRL+SHIFT+I on your keyboard. This will flip the forecast, causing it to generally match your chart. When inverted, the forecast line will appear pink by default and Inv. will appear next to the symbol name at the top of the chart.

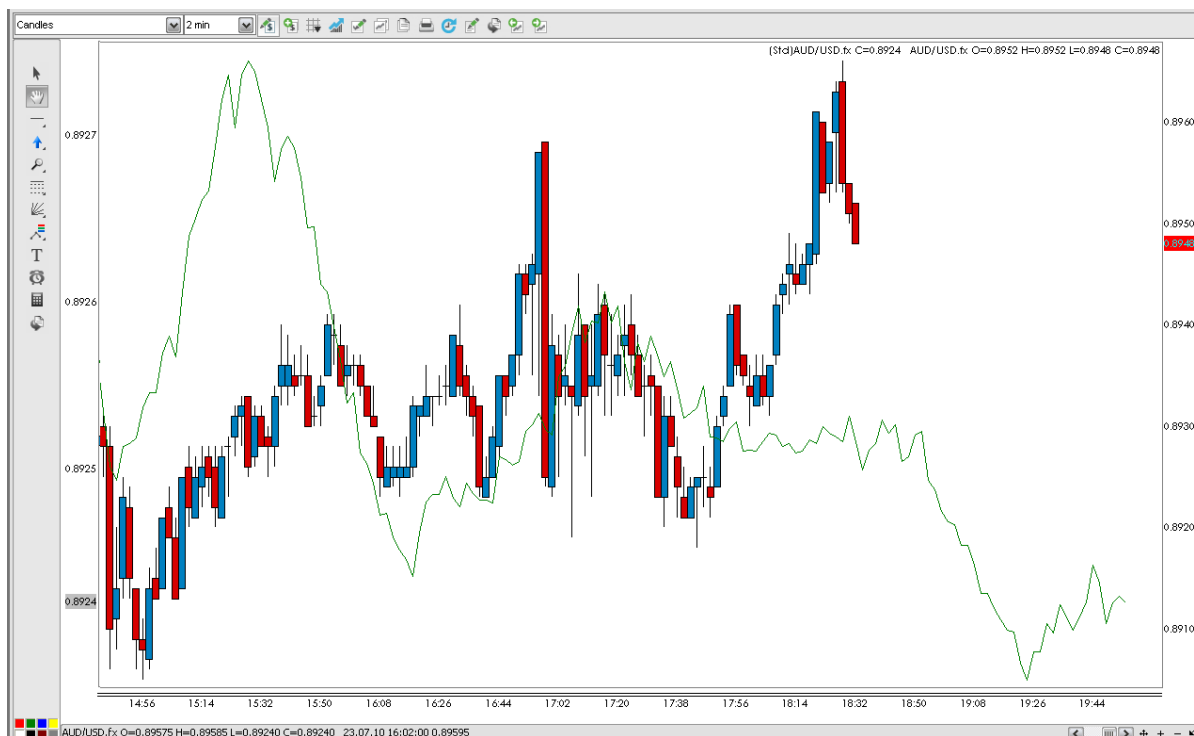


If your assessment of the forecast line is inconsistent with the traits of a standard correlation, or completely the opposite, invert the line and begin analyzing the market against the inverted forecast. An Inverted Forecast may be confirmed with the following indications:

- Market prices may move in the same direction as forecasted (i.e., the forecast is up and the market moves up or the forecast is down and the market moves down).
- Forecasted times of highs and lows correlate with actual highs and lows.
- Using your preferred pricing tool, your analysis confirms the forecast.

## Low Correlation

In the case of a low-correlating forecast, it is important not to use Foresight-A.I.'s forecast as a timing confirmation tool. Use other indicators or analysis to determine where your best opportunities are or wait until the next forecast becomes available. Subscribing to multiple symbols may increase your chances of finding high-probability trades.



A Low-Correlating Forecast is one in which the market simply does not match the forecast to any reliable degree. To determine a low-correlating forecast, look for the following signs:

- The market isn't matching either standard or inverted view.
- The market moves sideways.
- Highs and lows are happening 20 minutes ahead or behind when Foresight-A.I. forecasted they would occur.



## Frequently Asked Questions

### Q / Does Foresight-A.I. change overnight?

No. Once the forecast has been issued, it does not change.

### Q / Can the Foresight-A.I. forecast invert during the trading day?

While it is rare, it is possible that a forecast may invert sometime through the day. For example, perhaps during the first couple of hours the forecast may match the actual markets, but then for the next couple of hours it is exactly the opposite. It's important to keep an eye on your forecast throughout the day to ensure that you are making potentially high-probability trades.

### Q / How accurate is Foresight-A.I.?

Generally, a forecast's accuracy is better earlier in the trading day but like most indicators, Foresight-A.I. should never be used alone. Foresight-A.I. is best used to determine what times each day to trade. Other information, such as pricing and trend magnitude should be determined through other analysis methods.

### Q / Why do inversions occur?

An inversion is when the forecast line is more or less an upside-down version of what it should be. In other words, the forecast high is actually a low or the low could actually be the high. Because of this, it can't really be said that the forecast is wrong. The times of the changes in direction are still generally accurate. To view the inverted line, press SHIFT+CTRL+I. It is unknown precisely why inversions occur.

### Q / If Foresight-A.I. only forecasts the day's highs and lows, how do I know at what prices to trade?

We highly recommend using Foresight-A.I. with a pricing indicator such as Fibonacci retracements, pivot points or our DiNapoli D-Levels service to gauge price swings and possible support and resistance levels. For more about DiNapoli D-Levels, please visit our website.

### Q / What do the numbers of the left side of the chart mean?

The numbers on the left side of the chart are simply used by the platform to plot the Foresight-A.I. forecast. They serve no other purpose and can be ignored. Please refer to the numbers to the right of the chart for pricing.

### Q / Why is it only used on two-minute charts?

The original purpose was to give a forecast for intraday moves to enhance day trading. Various timeframes have been attempted, but the ultimate combination of Foresight-A.I. with the highest probability has proven to be the two-minute timeframe.

### Q / What is a pricing tool?

Unlike Foresight-A.I., which only forecasts time, a pricing tool can help you determine at what price to place a trade. There are a large number of pricing analysis tools available, including Fibonacci retracements, Gann fans and others. The choice of pricing indicators is determined by your trading strategy.



## Glossary of Terms

**Fibonacci retracement** / A very popular tool among traders whose strategies are based on technical analysis. Fibonacci retracements are based on mathematical relationships based on ratios, the most important of which are 23.6%, 38.2%, 61.8% and 78.6%. A Fibonacci retracement is created by taking two extreme points on a chart (usually a peak and trough) and dividing the distance by those key ratios.

**Magnitude** / Throughout each day, markets move up, down and sideways as they're influenced by a number of factors. The difference between the high point and low point of a price swing or trend is sometimes referred to as its "magnitude." Foresight-A.I. does not forecast the magnitude of price swings or trends, only the times when such swings and trends may occur.

**Pivot levels** / A pivot point level of a trading day is the point at which the market direction changes for the day. Many technical analysts attempt to predetermine a trading day's pivot point as a high-probability time to trade. Foresight-A.I.'s forecast may show possible pivot points in a given trading day.

**Pricing indicator** / A technical analysis tool that helps determine the prices at which a selected market may move or reverse. Pricing indicators do not indicate timing.

**Technical analysis** / Technical analysis is the study of market movements based on past prices, patterns and trends in an attempt to forecast future prices, patterns and trends. Technical analysis varies between traders, but typically involves a number of pricing and timing indicators to determine the best prices and times to place high-probability trades.

**Timing indicator** / A technical analysis tool that helps determine times when a selected market may experience highs, lows or general trends. A timing tool does not indicate prices, momentum or magnitude.

**Trading strategy** / A careful assessment and plan as to the methods and tools used to decide when and how to place trades. Strategies should be customized for each trader and should include trading goals, assessment of risk appetite, types of analysis and risk management tools.