MONEY MANAGEMENTS COMPARISON

What will you see on this video?
I will use the same strategy (Digits Over 4), with 4 different money management settings (4 different bots).

What's the strategy for Digits Over 4?
After all the digits over 4 (5, 6, 7, 8 and 9) have NOT appeared "n" times consecutively on the last tick, the bot starts the first trade, and will continue new trades until any Digit Over 4 appears.

Money Management Settings you will see here:
1. Martingale
2. D'Alembert
3. Fibonacci
4. Oscar's Grind

STRATEGY # 1: MARTINGALE

MARTINGALE

How does it work?

We start with a initial stake; each time the trade loses, the stake is doubled, until the following stake wins, then the stake is reset to the initial value. Just one winning trade will make up all of the previous losses.

Example: (initial balance $10)

Trade Type	Stake	Result	Net Profit/Loss	Account Equity
Over 4	$ 1	Win	$ 0.96	$10.96
Over 4	$ 1	Loss	$ -1	$9.96
Over 4	$ 2	Loss	$ -2	$7.96
Over 4	$ 4	Win	$ 3.84	$11.8

STRATEGY # 2: D'ALEMBERT

D'ALEMBERT

How does it work?

We start with a initial stake; each time the trade loses, the stake is increased one unit of the same initial stake. If the following trade wins, the stake is reduced one unit; if the trades loses, the stake is increased one unit.

Example: (initial balance $10)

Trade Type	Stake	Result	Net Profit/Loss	Account Equity
Over 4	$ 1	Loss	$ -1	$9
Over 4	$ 2	Loss	$ -2	$7
Over 4	$ 3	Loss	$ -3	$4
Over 4	$ 4	Win	$ 3.84	$7.84
Over 4	$ 3	Win	$ 2.88	$10.72

STRATEGY # 3: FIBONACCI

FIBONACCI

How does it work?

We start with a initial stake; each time the trade loses, the stake is increased by following Fibonacci's Sequence (1, 1, 2, 3, 5, 8, 13, etc.). If the following trade wins, the stake is reduced to the previous number of the sequence; if the trades loses, the stake is increased to the following number.

Example: (initial balance $10)

Trade Type	Stake	Result	Net Profit/Loss	Account Equity
Over 4	$ 1	Win	$ 0.96	$10.96
Over 4	$ 1	Loss	$ -1	$9.96
Over 4	$ 1	Loss	$ -1	$8.96
Over 4	$ 2	Win	$ 1.92	$10.88
Over 4	$ 1	Win	$ 0.96	$11.84

STRATEGY # 4: OSCAR'S GRIND

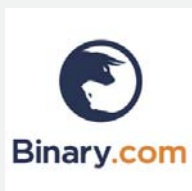# OSCAR'S GRIND

How does it work?

Each session begins by staking 1 unit, and ends by winning 1 unit of profit. If the trade loses, the session continues and the stake is repeated. Each time the trade wins, the stake is increased by 1 unit.

Example: (initial balance $10)

Trade Type	Stake	Result	Net Profit/Loss	Account Equity
Over 4	$ 1	Loss	$ -1	$9
Over 4	$ 1	Loss	$ -1	$8
Over 4	$ 1	Loss	$ -1	$7
Over 4	$ 1	Win	$ 0.96	$7.96
Over 4	$ 2	Loss	$ -2	$5.96
Over 4	$ 2	Win	$ 1.92	$7.88
Over 4	$ 3	Win	$ 2.88	$10.76

CONCLUSIONS

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Money Management	Initial Stake	TP / SL	Highest Stake	# Runs	# Wins	Total Net Profit	Comments
Martingale (DANGEROUS)	$0.35	$1.40 / $100.00	$22.53	14	6	$5.10	PROS: Just one successful trade will recover all previous losses. CONS: The stakes start to increase too much, the balance could be insufficient.
D'Alembert (VERY SAFE)	$0.35	$1.40 / $100.00	$0.70	8	5	$1.55	PROS: The stakes increase slowly, the balance can "survive" longer time. CONS: After 2 or 3 consecutive losses, you may need some consecutive wins to recover.
Fibonacci (SAFE)	$0.35	$1.40 / $120.00	$1.05	12	8	$1.62	PROS: The stakes only increase considerably, after many consecutive losing trades. CONS: After 2 or 3 consecutive losses, you may need some consecutive wins to recover.
Oscar's Grind (SAFE, SLOW)	$0.35	$1.40 / $100.00	$0.70	8	6	$1.51	PROS: The stakes are very small, they do not have significant increases. CONS: After some consecutive losing trades, the recovery may take longer time.