2018

FOREX Arbitrage Special Report

Arbitrage Trading Advantages and Disadvantages

“RISK comes from not knowing what you’re doing.” - Warren Buffet

Axiom Traders Limited
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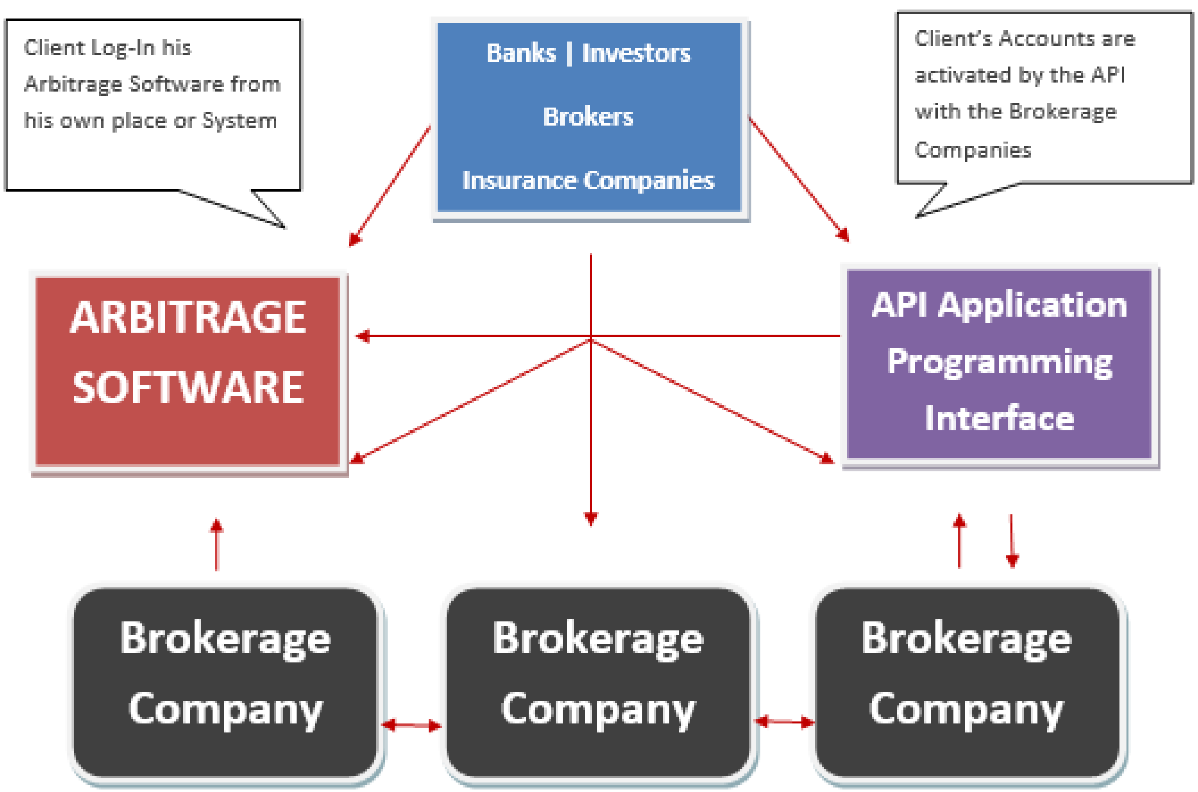
Below Cycle Shows How the Arbitrage Software Works with the Help of API Techniques



FOREX ARBITAGE AND HOW IT WORKS?

In economics and finance, arbitrage is the practice of taking advantage of a price difference between two or more markets, striking a combination of matching deals that capitalize upon the imbalance, the profit being the difference between the market prices.

When used by academics, an arbitrage is a transaction that involves no negative cash flow at any probabilistic or temporal state of a positive cash flow in at least one state; in simple terms, it is the possibility of a risk-free profit at zero cost.

People who are involved in arbitrage are called arbitrageurs such as banks, brokerage firms.
The term is mainly applied to trading in financial instruments, such as bonds, stocks, derivates, commodities and currencies.

CONDITIONS FOR ARBITRAGE

Arbitrage is possible when one of three conditions is met:

1. *The same asset does not trade at the same price on all markets ("the law of one price)*
2. *The two assets with identical cash flows do not trade on the same price.*
3. *An asset with a known price in the future does not today trade at its future price discounted at the risk-free interest rate (or, the asset does not have negligible costs of storage, for example, this condition holds for grain but not for securities)*

Arbitrage is not simply the act of buying a product in one market and selling it in another for a higher price later. The transactions must occur *simultaneously* to avoid exposure to market risk, or the risk that prices may change on one market before both transactions are complete. In practical terms, this is generally possible only with securities and financial products that can be traded electronically, and even then, when each leg of the trade is executed the prices in the market may have moved. Missing one of the legs of the trade (and subsequently having to trade it soon after at a lower price) is called 'execution risk' or more specifically 'leg risk'.

WHAT IF YOU COULD PLAY THE TRADING GAME SO THAT YOU ALMOST NEVER LOSE.

We are providing Arbitrage Trading and I'm Arb Trader and if you've heard the trading truism, "Only Trade when you have an

Edge", you are going to Love thiS

Most traders believe winning in trading depends on betting correctly on the direction of the market and winning more than you lose, and following the TRENDS of the markets, which is always very difficult. Trends could be short term and long terms as well.

Well, you can throw away your quest for a crystal ball to divine the market's next move.

In this report you will learn and you are about to discover to play trading game so that you almost cannot lose, **NO MATTER WHICH WAY THE MARKET MOVES**.

Don't you worry; we are not talking about Options Trading or the Reversal Trading, either. All you will see this report could be the profitable and reward-able you have ever read. So, all must
READ the whole report.

You will find a hidden structural flaw in the Forex Market that allows you to gain or profit 5-100 pips like clockwise the instant you place the trade.

It's push button easy and like I said, it doesn't matter which way the market goes.

Within seconds, you are out with your profits. It is as close to can't lose trading as I've ever seen in over 13 years of trading.

Do you know the biggest barrier to giving up your day job and being able to trade for a living?

One word: Uncertainty.

When you go to work at a job, you are paid.

In trading, you can show up for work and LOSE money with most trading methods.

Unless you are already wealthy, you cannot afford to trade for a living unless you can ride out the winners and losers – until now.

Allow Axiom Traders to introduce you to a breakthrough way to REALLY trade for a living. We are talking about combining the steady income of a job with the freedom of trading full time.

Here is the key to having certainty. Imagine this...

What if you knew your exact profit when you place a trade?

That is what this report is about to reveal to you... and you are going to be exposed to a little known strategy that allows you to rig the trading game so that you almost can't lose.

That is certainty.

Now, we want to make something perfectly clear... we said 'almost' cannot lose. We both know there is no such thing as a 100% winning system – but this method is stacking the odds in your favor more than anything we have seen before.

As you will learn from Warren Buffet, a certain profit you can lock in up front is infinitely more valuable than a chance of great profit at the risk of a great loss.

How many times would you trade if you could instantly lock in 5, 7, 10 or 20 pips or more – no matter if the currency pair goes up OR down?

HOW MANY TIMES DO YOU WANT TO WIN?

Think about it like this... with most trading strategies if you lose you then have to make 3x your loss to get back to profit.

Let us say you invest 1000 in a stock the value goes down $200 or a typical 20% stop loss. Then you have $800 left. Now, to profit, you have to first make back the $200 just to break even – that's a 25% return on your investment.

IF YOU HAVE 5 LOSSES IN A ROW YOU'D BE WIPED OUT.

Anyone who is traded for even a little while knows that a string of 5 or 10 losses in a row is entirely possible.

Sure, you could make a 30% gain if the stock rockets up, but the odds are against you to keep hitting home runs.

Now, imagine if you could make $50 repeatedly with almost no risk of loss. Then, if you started with a $1,000 after just three trades, you would have $1,150.

Take 3 more trades and you'd have $1,300. That's a 30% gain with very little risk of loss and you did not have to win a home run either.

After just a few more trades, you'd have $1,600 which is TWICE what the poor stock trader has after just ONE 20% loss with a measly left to $800 to trade.

Unlike the stock trader, who could have lost even more money, with your steady, certain gains you're up 60% and you can sleep like a baby at night, too.

By the time you are done reading this report, you're going to fully appreciate the power of the famous quote,

PROFIT FROM TRADING THE RIGHT INFORMATION AT THE RIGHT TIME

"Risk comes from not knowing what you're doing." - Warren Buffet

In the classic 80's movie, 'Trading Places', Eddie Murphy, Dan Akroyd, his butler and their former hooker friend, all put their life savings together to make a highly leveraged bet on Orange Juice futures.

It's every trader's dream because they short the market at the highs for the day right before a government crop report is to be released and make an instant fortune.

In the real world, this would be near insanity because an official crop report can send the market for that commodity rocketing higher or cause it to plummet in panic.

However, the heroes of the story had an inside advantage.

They knew if they sold the OJ futures at market prices when trading opened before the report, they would be able to buy back those same futures contracts at drastically lower prices and pocket the huge difference.

THEY WERE PLAYING A GAME THEY COULD NOT LOSE

How?

They had intercepted the real government crop report ahead of time so they KNEW the market was going to panic and sell off and all they had to do was place their trades first by going short.

Every trader loves that story because the heroes make a fortune and retire to the beach in the tropics with a luxury yacht.

The only problem is, insider trading like that is illegal and you cannot get tomorrow's newspaper today anyway.

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However, the lesson is the same. If you could trade so that you knew with certainty that you would profit you would be

LIVING EVERY TRADER'S DREAM

Stay with me, because this is about to get very exciting.

Ask yourself this simple question:

How often would you trade if you knew your profit was practically locked in the moment you placed the transaction?

The answer of course is, as many times as you could!

Well, this is exactly what arbitrage traders have been doing since the dawn of trading.

What is Arbitrage?

Here is the trusty Webster's Dictionary definition...

Arbitrage (Noun)*: the nearly simultaneous purchase and sale of securities or foreign exchange in different markets in order to profit from price discrepancies*

If you have never heard of arbitrage before, that is because until now it's been a favorite strategy of

Wall Street fat cats and you and I have not been able to play this 'can't lose' game.

Until now, only the biggest traders with the most advanced computer software could pull it off, but those who have that edge make consistent profits repeatedly. However, the little person has been locked out, until now, as I'll explain in a minute.

If that still does not make sense, then I have a couple examples that will put it all together for you... and when you see the untold potential for nearly CERTAIN PIP GAINS, you will be hard pressed to sleep tonight.

For right now, let me tell you a story of modern day arbitrage that will help explain how this works.

CRAIGSLIST ARBITRAGE

The key to arbitrage is accurate market information and speed.

Now, on Craigslist.com, people list things for sale and things they want to buy, just like an online classified ad section of your local newspaper.

It is no secret that you can find bargains or get some cash for emptying out your garage and it is a lot like eBay except it is free to buy, sell, or trade on Craigslist.

However, there is no guaranteed profit in that kind of 'trading' because you might not find a buyer for your item or you might take a loss. Same with most Forex Traders. Therefore, my friend Gary plays a game he cannot lose. See, he is into collectables. He knows the value of things like classic Star Wars figures or baseball cards or old Atari video game consoles.

He is set up a software script that finds new Craigslist ads that match things he is looking for and he snaps them up if the price is right under ONE condition.

He has to be CERTAIN he can make a profit.

Before Gary buys any item, he first secures a commitment from another collector to quickly to buy that same item from him for a higher price..

If he picks up an item for $25, he ALREADY has it sold for $50, or more.

HE MAKES A RESPECTABLE FULL-TIME INCOME, TOO

Again, the key is speed AND knowing the market value of the items.

Let us say Gary knows that he can sell a Darth Vader Star Wars action figure from 1980 that is still in the box for $20 all day long. That is where the buyers are.

So, if his special software finds a new listing for a Darth Vader action figure matching that description for $10 he will snap it up instantly and turn around sell it to an eager collector waiting to buy and give him a 100% profit.

If he were like most speculative collectors, he would buy the action figure for any reasonable price and hope they appreciate. While that might work, there are several disadvantages.

First, your capital is tied up with that one investment until you sell, limiting how many opportunities you can act on.

Second, there is no guarantee that the price of the collectable will go up.

Third, the price of the collectable could go DOWN and you would lose money.

That is why Gary chooses to play a different game entirely. He plays a game he almost cannot lose because.

HE LOCKS IN A GUARANTEED PROFIT BEFORE HE BUYS EACH ITEM

That is what I mean by certainty.

Gary never has to worry about taking a loss or being stuck with something he cannot sell. He has his capital right back to do another transaction in a matter of minutes.

Gary is playing the spread in prices in an inefficient market.

Remember this; I will get back to why it is important later on. What Gary is doing with Craigslist is called 'arbitrage'.

It is the knowledge of the different prices collectors will pay that he is 'arbitraging' that is so valuable. His custom software allows him to beat competitors to the deal with lightening speed. Maybe a few bucks here and there doesn't sound that impressive but in a minute you'll see why the CERTAINTY of profit that is the key to high returns for very low risk.

To prove my point, let me refer you to one of Warren Buffet's famous success stories from early in his career that was worth MILLIONS

Maybe you have heard of him – he is the 'Oracle of Omaha', worth billions after a long and illustrious investing career building up one of the most successful investing funds in the world – Berkshire Hathaway.

Let us put it this way, if arbitrage is exciting to Warren Buffet, it is exciting to me.

You are about to discover how the big players rake in huge guaranteed profits repeatedly.

ARBITRAGE THE WARREN BUFFET WAY

Warren buffets number one investing rule: do not lose money. He makes sure he knows he will profit before he ever makes a trade.

That, my friend, is what I mean by certainty

It should be no surprise that arbitrage is credited as one of the secrets to Warren Buffet's legendary investing fortune.

Back in 1954 when Warren Buffet was a young analyst in New York working for famous value investor Benjamin Graham, he learned a very valuable lesson in arbitrage.

Mr. Graham had discovered an arbitrage opportunity in the cocoa market with a chocolate manufacturer called Rockwood & Company.

The circumstances were that the market for cocoa had rocketed up from 5 cents to 50 cents a pound and Rockwood was sitting on a large supply of cocoa bean.

The challenge was that if Rockwood were to sell the cocoa in the open market it would have to pay income tax on 45 cents profit per pound PLUS shareholders would be taxed a second time.

What happened next was one of the most brilliant arbitrage deals and legally avoided the tax obligation but while locking in a guaranteed profit, too.

The 'arbitrage' information in this case was knowledge of a special tax loophole. It turns out a little known provision in the tax code allowed Rockwood to liquidate a portion of its business and not owe a tax liability. The shareholders then would merely be getting back capital and taxed accordingly instead of as income.

To accomplish this, Rockwood set up a subsidiary and made a swap of stock for 'cocoa receipts'.

What is important is that the stock swap occurred for a guaranteed profit because of the arbitrage. The deal was structured so that the stock, which was trading for $34, was swapped with the cocoa receipts for $36 where each receipt was worth a predetermined amount of cocoa beans.

That is a guaranteed $2 profit, which amounted to a 6% gain. Annualized, that 6% gain amounts to a very respectable...

250% RETURN ON INVESTMENT!

For Warren Buffet's way of thinking, a $2 per share guaranteed profit without much (if any) risk of loss is infinitely more valuable than the Uncertainty of buying a stock and hoping to profit and avoid a loss.

One of the secrets to Warren Buffet's legendary wealth is he bets on certainty.

In addition, remember, the biggest barrier to anyone trading for a living is certainty of making money.

Are you starting to see why arbitrage is so powerful for compounding wealth?

KNOW YOUR PROFIT WHEN YOU PUT ON THE TRADE

As cool as it is to arbitrage on Craigslist for some bucks here and there – the fact is that you have to be super fast and that requires custom software.

In addition, you are competing for the same listings with many other people for relatively small returns because there just are not that many arbitrage opportunities and you cannot just invest $10,000 to make more money.

In addition, as inspiring as the Warren Buffet story is the reality is that you have to have significant capital and extensive knowledge to pull off intricate arbitrage deals like the Rockwood example.

The cold hard truth is that I have known about arbitrage for my entire trading career but in the stock market, it's a realm reserved for huge Wall Street firms.

There are arbitrage opportunities in stocks and between stock prices and the futures market for example, but because the transactions all happen in central stock market exchanges, it is just about impossible for the individual trader like you or me to play that game. So for most, Arbitrage is that amazing investment strategy that everyone has heard of but only the big boys can play... until now.

THE HIDDEN FLAW IN THE FOREX MARKET WE DISCOVERED BY ACCIDENT

I have been a Forex trader for the better part of 13 years and have developed countless systems from scalping to swing trading and everything in between. After years of trial and error, I have found high probability systems that make money keeping me on the right side of the market moves.

I have made my living and escaped the rat race so the Forex market has been very good to me and the Forex is my 'home turf'.

As a system developer, I am always looking for new and better ways to pull consistent profits out of the Forex. Between myself and my team there is not hardly a trading strategy we have not tested or tweaked over the years.

That is why I was so stunned when I stumbled across a 'can't lose' trading method that allows you to do arbitrage in the currency market.

Unlike the stock market, I knew that the Forex did not have a central exchange like the New York Stock Exchange (NYSE).

As you may know, the Forex is all bank-to-bank currency transactions. You can buy or sell currency pairs with different brokers and each will quote you at their price.

For years, I assumed that the market was efficient enough that there would be no arbitrage opportunities, meaning that all the brokers would have the same price.

But I was wrong (and I couldn't be happier!)

Here is what Happened...

When I released my first Forex training course, I received emails from members who said my closing and opening prices were different then what they showed on their trading software. After emails back and forth, I found out that they were using different brokers. Curious, I investigated more.

My first clue was that charting software gets market prices from your individual broker.

I did some testing by hand to see if there were actually differences in prices for the same currency pairs at the same time from different Forex brokers.

While doing this I was able to put on an arbitrage trade using two different brokers for a very quick +17 pips NET gain after transaction costs.

I was blown away.

Most Forex scalpers would quit their day job and crack open the Champagne if they could reliably pocket 17 pips EVER – let alone without having to actually be right about the market direction.

Fact is, most scalpers get in and out for 5 to 10 pips when they win and that is not factoring in making up for the times they lose. Now, that is not how I scalp with my proprietary system, but that is the reality for Forex Day Traders who don't have a high probability system.

Either way, this was...

THE EASIEST 17 PIPS I HAVE EVER MADE

The profit was there for the taking.

As you can imagine, I was wired with excitement all day and barely got to sleep that night, but I knew more research needed to be done to determine if this was a onetime fluke or a predictable, repeatable, flaw I could exploit.

Luckily, I have the experience and the team to do the kind of exhaustive research that was needed.

It took two months to build the testing spreadsheet and another three months of live market. .

The data was very enlightening... I will not bore you with the details, but the fact is that arbitrage, or 'arbs' as I prefer to call these price anomalies between Forex brokers, do exist and are tradable by the individual trader.

Think about that for a minute and let that really sink in.

Unlike the stock market where only the huge Wall Street trading firms can play, because of the very fundamental structure of the Forex market has price differences from time to time that you and I can exploit for near certain profits each time.

To make this work it had to be done with software to make it practical and simple to execute.

Therefore, we then took several months to build custom software to help us take advantage of these arbs. We wanted to make sure that it was fast, user friendly, and profitable.

The bottom line is:

WE FOUND A WAY TO LOCK IN PROFITS WITH FOREX ARBITRAGE!

Frankly, I was not sure if I wanted anyone else to know about this because I did not want to get too many people doing the same thing and risk it not working as well anymore.

As far as I am concerned, this really is the golden goose of Forex.

This is what certainty looks like.

However, I'm committed to my loyal members and after extensive testing and considering, it hit me...

Over $4 trillion dollars, a day flows through the Forex market and it's literally the biggest market in the world. As long as I only allow a small group of individual traders in then the giant Forex market will not change one bit.

Therefore, I am telling you about this because if you understand the power of arbitrage in the Forex market with what I've shown you so far you can develop your trading strategy around it and leave your job and old life of money worries behind.

FOR NOW, THE LESSON TO TAKE AWAY FROM THIS REPORT IS THIS:

Base your system on something that does not change. Trends change. Ranges change.

What I've shared with you in this report is built in to the structure of the Forex and while it's impossible to know the future, you know I'm going to be trading this Forex Arb system for the Foreseeable future – that's why I'm not telling everybody about this, by the way. You will not see me on CNBC or publishing articles in the Wall Street Journal, believe me.

Remember this: *Forex Arbitrage allows you to play the trading game in such a way that you almost cannot lose. It is the secret of Wall Street fat cats. However, thanks to inefficiencies in the Forex you can cash in too.*

Arb trading allows you to lock in profit when you enter a trade instead of betting on market direction and hoping you are right more than you are wrong.

If you think about it, even if you are if system is highly accurate, you still have to trade with less leverage because the risk of being wrong is greater.

Key Point: *with arb trading, you are per trade pip gains may be small, but you can use more leverage because you know it is very unlikely you are going to lose.*

Sure, I will always continue to trade my other systems and swing for the fences with a percentage of my capital. But I will always remember to think like Warren Buffet. In fact, arb trading is a big part of my strategy now for all the reasons I've shared with you in this special report.

Just imagine how thrilled you will be when you double your account while everyone else is fretting about his or her mutual funds and 401k's. Then, when you double your account AGAIN, you will not be able to wipe the grin off your face.

Trust me, you will look forward to seeing your account balance each month and will not give a hoot what Wall Street is doing.

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LEARN TO EARN

As I said, there is no such thing as a sure thing trading system that is 100% right all the time – and past performance is no guarantee of future results.

My point is to illustrate the profit compounding power of a successful arbitrage system and why billionaire investors like Warren Buffet have grown their fortunes with strategies just like the one
I just shared with you.

Of course your results will vary from the perfect hypothetical, but just imagine a system that by its very nature locks in your profit the second you place the trade.

Think about the possibilities and watch for my next report that will show you in step-by-step detail how to arb trade the Forex.

Keep your eyes peeled for an email from me because in a few days I will show you in detail HOW to arb trade the Forex and tell you exactly what to do.

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