Copy Trade Engine Rules

Pelican

Connecting the world's traders and investors.

01.

Copy Trade Engine functions

Copy Trade engine functionality

Account Currency

Eligible Account Currencies are: GBP, USD, EUR, CHF, ZAR, KES, JPY, RUB, CNY, BRL. For mapping purposes, there needs to be a EUR instrument paired with the currency of the account. For example, a KES account needs to have a KESEUR instrument on the market watch.

Market Watch

A Market Watch is a section of MT4/MT5 that displays all BID/ASK prices and enables users to view instruments, place orders, open charts, etc. Market watch is set by the broker. Clients can only trade the instruments listed on their Market Watch. A "heartbeat" refers to the tick of data being sent into and out of the Market Watch. In the event of a market watch freeze, the user's virtual machine is advised to be restarted, selecting a server with the lowest response time, and the same procedure applies during reconnection.

Off Quotes

If we receive this error in our logs it means our system is attempting to send trade instructions, but the broker is not providing a price for execution. We see the 'Off Quotes' message in our system journal but that will not reflect on the Broker's end. Prices can become available moments later and if sufficient liquidity remains then the trade will be successfully placed 15 seconds later when our system will try again.

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Copy Trade engine functionality

Suffix and Mapping

Copying between different symbol sets on either the same or different brokers presents a challenge due to inconsistencies in the naming between them. To facilitate this, Pelican maintains a master list of symbols whereby each individual symbol on each trading account must be mapped. Any symbols that are not mapped or do not exist in the master list will fail to copy.

The copy trade engine will automatically detect which symbol set is in use on any given account and map it to the correct master symbol. At a high level, this is achieved by maintaining a list of known aliases for each master symbol. This works the vast majority of the time, but there are rare cases where additional guidance needs to be given to the system to get it to map correctly.

That said, there are situations that will cause it to fail, with the primary one being the presence of more than 1 active tradable symbol set on an account at a given time. If, for example, EURUSD.p and EURUSD.r are both on the account and enabled for trading, the system has no way of knowing which one should be used; one will be picked at random.

If you have a symbol set configuration that has essentially different markets, but they are only differentiated by the suffix (EURUSD and EURUSD.mini) and both are required, it would be best to have these presented as totally different markets (EURUSD and MiniEURUSD, for example). If this is not possible, then please let us know, and we will place some additional hints on the system to get it to automatically map.

01.

Copy Trade Engine functions

Copy Trade engine functionality

Copy Stops

All copiers come with a default setting enabling them to edit Stop Loss/Take Profit on their copy trades in-app. Some legacy users lack this option and automatically copy the signal's SL/TP; they can view but not modify the SL/TP set by the signal. A copier can choose to have either option and we can facilitate this on the Dashboard by checking/unchecking "Copy SL/TP" on the dashboard.

Comments

Each copy trade will have a magic number in the comments section on their MT4/MT5 statement. The magic number is an internal identifier within our system. The comment "Mobile" will be associated with manual trades, while the comment "Expert" will be associated with copy trades.

Comments for "Close By" trades

"Close by" trades will not include the comment "Expert"; instead, they will have the comment "Mobile" since closing a transaction partially involves a manual process. (We discuss 'Close By' in more detail on the next slide)

01.

Copy Trade Engine functions

Copy Trade engine functionality

Close By

"Close By" is a function available on the MT4 and MT5 trading platforms, that allows you to simultaneously close two opposite positions on the same financial instrument.

In such cases, buy orders need to be closed with a sell order, and sell orders with a buy order.

For example, if a trader has open order #101 BUY 1 lot EURUSD @ 1.1050, and executes opposite "Close By" transaction #102 SELL 1 lot EURUSD @ 1.1150, would result in 0 volume and close the EURUSD position with the current market price of EURUSD at 1.1150.

One trade will show the combined profit of the buy trade in history, and the other will show a profit/loss of the sell trade. In the case of unequal lot sizes, between two opposite trades, leaves a remaining volume amount open on one side of the tradable symbol. In this example, "Closing By" 1 lot of sell against 2 lots of buy would result in 1 lot of buy being left open.

Currently, the "Close By" function is unsupported on our Copy Trade Engine. When a signal utilizes the "Close By" option, the trades on the copier account do not close because the system does not recognize the close order from the signal. MT4 does not support netting; only MT5 allows for this functionality.

01. Copy Trade Engine functions

Copy Trade execution

Closing multiple trades at the same time

To avoid delays in closing trades on the copier, users with over 30 copiers should refrain from simultaneously closing multiple trades, as the sequential nature of MetaTrader leads to a queue of instructions. There is no specific threshold we can suggest but it is recommended that very high-frequency strategies are not plugged in.

01.

Copy Trade Engine functions

Copy Trade execution

Cent
Account
Rules

Cent accounts operate differently from dollar accounts and copy trade sizing can be affected. The following parameters are recommended for copying a signal, although they may vary depending on your broker's setup.

Cent Copier <> Cent Signal
Fixed Lot Size - Functions as expected
Proportional By Equity - Functions as expected
Same as Signal - Functions as expected

Cent Copier <> Standard Signal
Fixed Lot Size - Functions as expected
Proportional by Equity - Not Advised
Same as Signal - Not Advised

Standard Copier <> Cent Signal
Fixed Lot Size - Functions as expected
Proportional by Equity - Not Advised
Same as Signal - Functions as expected

02. Account set up

Rules

Mt4/MT5 Password Error	Please emphasize with the user that the details needed are the MT4/MT5 platform master password for the PC downloadable platform login details, not the app or web platform, as they are different login details. Users can mistakenly enter their broker's website/app password rather than their MT4/MT5 password.
Hedging Accounts	Accounts must have hedging enabled if they intend to use this strategy; otherwise, they will be unable to copy hedging trades.
Partial Close MT4	If the option to prohibit hedge position is selected, it will prevent partial closes. If you can untick that option and retest, partial close should work. If you leave the option "Use partial close with full close initial position" unticked, then the trade should partial close and open a new trade at the same price the original trade was opened at. If "Use partial close with full close initial position" is ticked, the user will open the partial close trade at the current price.
Partial Close MT5	To implement the following rules, start by creating a new admin manager group. In the Common section, please disable the display of the risk warning. When in the Margin section, make sure to choose the "Hedging position" option. For all real groups associated with the Pelican Copy Trading system, configure them under Risk Management with the "Hedging position" accounting system option. Detailed instructions can be found in this PDF: https://docs.pelicantrading.io/items/pelicanmetatrader5connectionsheet.pdf

Account set up

Drawdown functionality

Drawdown

Drawdown levels will be detected in real-time and takes into account copy trades alone. It does not consider trades placed manually by copiers. It's important to note that there may be instances where a Hard Stop or Soft Stop is triggered up to 15 seconds after the level has been reached.

Resetting Drawdown Copier

Currently when a copier resets their drawdown it resets to 0% at that point in time including any running losses. Drawdown is calculated using the standard formula with the key elements reset: High Water Mark - Latest Normalised Balance on Close + Floating PnL. This will not reset your hard stop or soft stop levels, this can be edited separately.

Hard Stop/ Soft Stop Setting

A Hard or Soft Stop can be reset at any time. When setting a Hard Stop or Soft Stop, any decimal place will be rounded up to the nearest whole integer. For example, a Hard/Soft Stop setting of 35.3% will be rounded up and triggered at 36%.

03. Dashboard functions and processes

Activities undertaken through the Dashboard

Disabling inactive Accounts

Accounts with a balance of $10 or less will be disabled at the start of each month along with users who are not copying any signals. These accounts will remain on the Dashboard for 3 months before their data is removed.

Adding Copy, Fee and Spotlight Tags

Pelican account managers will approve Signals and add the respective tags on the Dashboard so they can be copied and charge a fee. Due to our FCA compliance obligations we will undertake a review of all signals before approving them and will let the signals know if their application has been rejected.

Definitions of Account statuses

The status "Disabled" for an account implies that it was previously connected but deliberately deactivated through either the dashboard or API.

The status "Invalid Account" indicates that our system has detected an alteration in the account login, specifically a changed password on the broker server that hasn't been synchronized with our system.

The status "Disconnected" for an account is either newly created or has never been enabled, transitioning to "Connecting/Connected" upon activation.

The status "Connected" denotes that the account is configured correctly and is operational.

Thank you.

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