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Inside View, Technology, Week in Review

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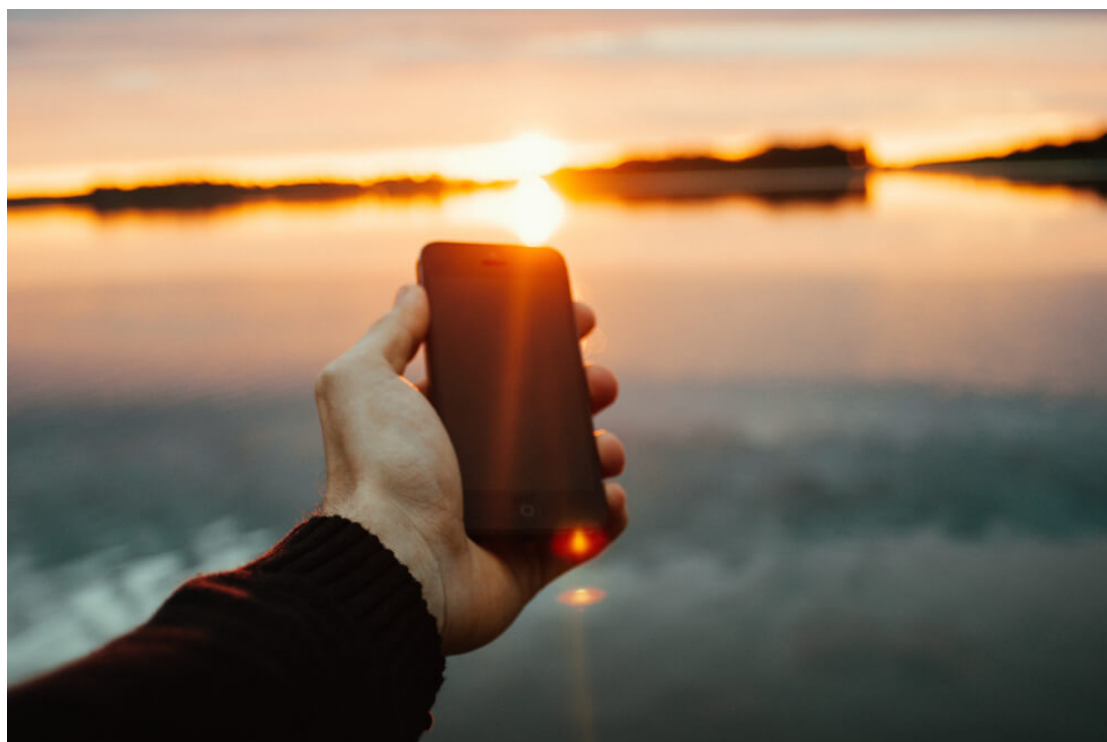
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Technology trends in FX – Downloadable platforms giving way to web traders and cloud automation?



In this age of self-empowered and analytical trading, cloud automation, mobile trading and rapid execution mean emulating the success of HFTs, rather than refer to the old-school social trading efforts that are now on the wane. Technology veteran Sheldon Gardner, President of Skydesks looks at how cloud automation in FX and platform diversity are the way forward



By Sheldon Gardner, President, SkyDesks Incorporated

The Forex industry is the world's most popular method of accessing live and liquid financial markets via online platforms by individual traders.

For 10 years, since its inception, MetaTrader 4 has been the de-facto standard trading platform for individual traders. However, things are changing.

Question: During the next 10 years will web-based platforms replace trading applications that must be downloaded and installed on PCs and MACs? I will attempt to answer this question in a series of blogs. This is the first.

Emerging web trader platforms are having an impact on the popularity of MetaTrader 4. Use of the MetaTrader 4 platform has dropped in the last several years in favor of WebTraders. There are several important distinctions and technological problems that have held this transformation back: Below are some of the considerations.

The Emergence of AutoTrading

Autotrading involves connecting a brokerage account to an EA, or a signals provider. Until the last few years when copytrading became available with direct back door connections to the broker's server Windows-based VPS servers were the only answer available to the trader, In the past few years several companies have made back door copy trading available as a business service- MyFxbook, and Metaquotes- to name two of them. Direct connection to the broker's server eliminates the need for a VPS at the expense of trader control.

Although trading in a 'back door connected' account can be continuously monitored from a PC, or a smartphone, immediate control has been lost. If an upset event occurs in the market, like the January 2015 Swiss 'Black Swan', the trader is helpless to provide an immediate on-off switch.

The use of EAs, a characteristic of the MT4 Forex market, is not found in other global markets. Personal experience with expert systems was the major reason why I entered Forex in the first place.

Because of the nature of Forex trading- EAs installed in MT4 require constant connectivity with a broker's server. Consequently, the use of the Forex VPS, in particular the Windows

Server VPS in a cloud environment, as a business, has emerged in parallel popularity of MT4.

Cloud Automation in Today's Forex Market

With this as background, let's move on to discuss technology in today's Forex market. WebTraders are becoming popular trading platforms. Apart from cybersecurity, none of the currently popular broker WebTrader platforms support commercial EAs that can be compiled using the popular MetaQuotes language.

This has held back their acceptance in the marketplace. So, what is the next step to advance Forex technology? Cloud automation may be the answer.

SkyDesks www.skydesks.com has developed, and will shortly offer with a monthly subscription, a companion pair: A Linux based MT4 WebTrader coupled closely to a web app that runs on any android or ios smartphone. SkyDesks' MT4 WebTrader supports EA autotrading and enables the SSL upload of all MetaTrader 4 EAs.

This gives the Forex trader several new options. The trader can now run MT4 from a PC or a MAC in a web browser- just as he does with his desktop. However, no software download is required. When he needs portability, he can control SkyDesks MT4 EAs from any smartphone, setting alarms and control parameters- as necessary.

Meanwhile- the trader has the full protection of a VPS and can create and control, online and in real time, Virtual Machines (VMs) located at RackSpace cloud data centers worldwide. Shortly, using technology called Cloud Automation, SkyDesks will introduce a companion smartphone application to enable traders to 'go to the beach' without worry 😊