



7 Mistakes

Every Novice Trader Should Avoid

Think you're not successful enough to trade in the Forex Market?
Maybe you're making one of these common trading mistakes.

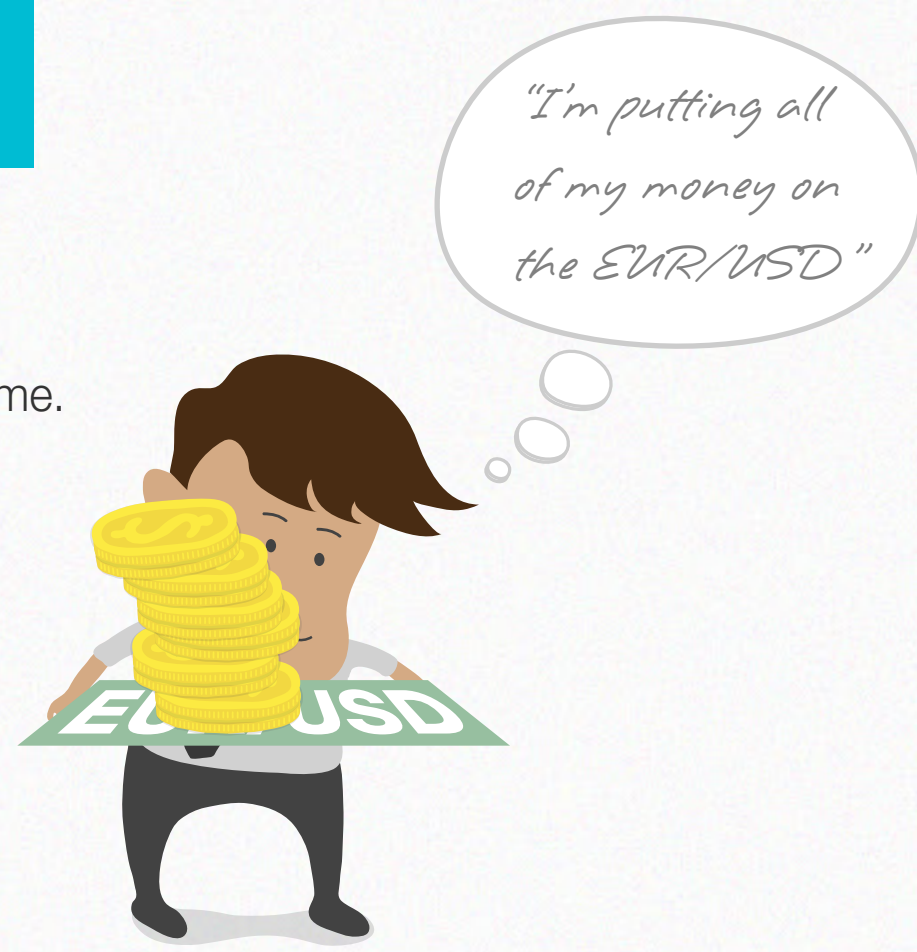
The 7 mistakes below can be used as a guideline to helping you avoid the many mishaps other traders possibly make.

Mistake 1 : Investing everything on one deal

No matter how much you initially deposit, you should probably avoid investing everything on just one deal.
If that deal goes sour, you could probably lose everything in a short period of time.

How to avoid this:
Open small deals and start to gain experience.

Why you should do this:
You will be able to get a better understanding of the market before raising the stakes.



Mistake 2 : Focusing on just one currency pair

Novice traders sometimes tend to focus on just one currency pair that they are familiar with. This isn't recommended since each currency pair has its own beneficial times to trade and each currency pair has its own set of advantages and disadvantages.

How to avoid this:
Explore different currency pairs outside your comfort zone.

Why you should do this:
You can gain more knowledge and experience by trading several currency pairs.



Paul R
"I enjoy trading different currency pairs since it gives me the opportunity to trade at different hours, when certain currency pairs are more volatile than others"

Mistake 3 : Not knowing when to say "Enough... I'm done!"

Everyone wants to profit and make money in the Forex market. Yet one of the main differences between **seasoned** traders and **novice** traders is that the first knows when to stop and say "Ok, I'm done for today" – while the second doesn't. Knowing when to stop trading can be rewarding to a trader in the long run.

How to avoid this:
Open calculated trades, plan ahead and don't trade on impulse.

Why you should do this:
Knowing when to stop trading can be rewarding in the long run

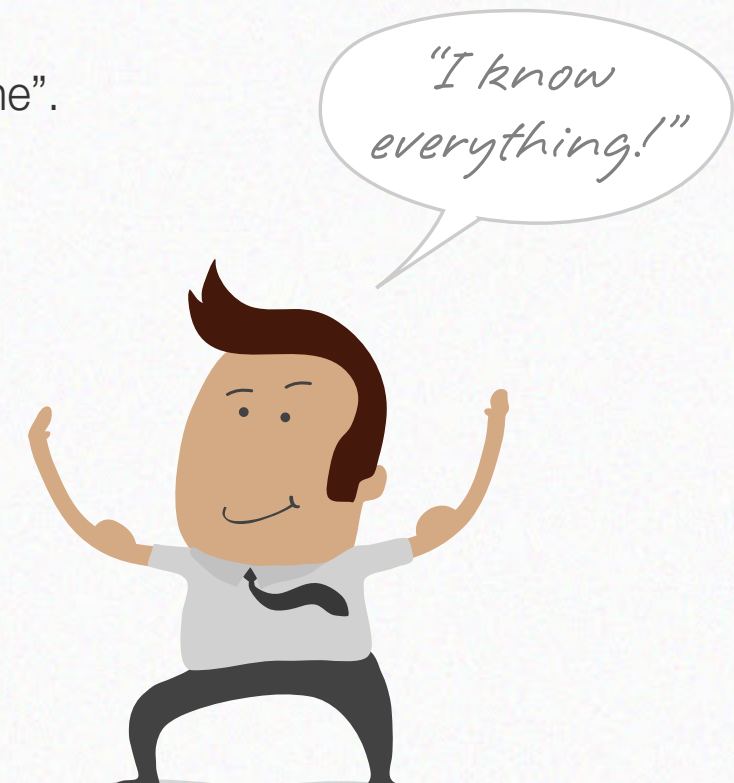


Mistake 4 : Being too confident

One of the many pitfalls that beginner traders fall into is the "Over Confidence Zone". Falling into this zone usually happens after a string of successful trades, when ones' confidence level is high and the mood is filled with success.

How to avoid this:
Don't trade on impulse – plan your trades ahead of time.

Why you should do this:
You could prevent yourself from opening losing trades.



Mistake 5 : Thinking that you're going to turn Forex into an steady extra income

Trading in the Forex Market can provide you with generous profits, although these profits could be inconsistent. Learn how to make consistent profits is one of the keys to trading in the Forex market for a long period of time.

How to avoid this:
Keep your day job while trading at the same time using your iFOREX account.

Why you should do this:
Because there is an old saying that says:
"You should never put all your eggs in one basket"



Karen D
"I like how I have my day job which provides me with a stable source of income and I also have my Forex trading account on the side"

Mistake 6 : Chasing your losses

Not knowing when to cut your losses can lead to many hiccups when trading currencies. Learning when to close a losing trade is a skill that can save you a lot of money in the short and long term.

How to avoid this:
Don't become emotionally attached to a losing trade.

Why you should do this:
If you don't do this – you could lose a lot more than you initially intended to lose.



Mistake 7 : Divide the facts from your emotions

If you become emotionally attached to a trade, your trading account could potentially continue going downhill, long after you should have closed it. Looking at your account from an analytical point of view will help you become a long term trader in the Forex market.

How to avoid this:
Leave your emotions at the door.

Why you should do this:
Emotional traders have a shorter life span in the Forex market.



John M
"I learnt the hard way to separate my emotions from the facts. Ever since then I know that when I start trading – I need to be cool, calm and collected"

We hope that this guide was informative and provided you with useful insight regarding your iFOREX Trading Account.

To login to your account and start trading

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